

WIGGINS, WILLIAMS & WIGGINS

A PROFESSIONAL CORPORATION

LAWYERS

TELEPHONE (505) 764-8400
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1803 RIO GRANDE, NW
ALBUQUERQUE, NEW MEXICO 87104

MAILING ADDRESS:
P.O. BOX 1308
ALBUQUERQUE, NM 87103-1308

November 30, 2018

FILED IN OFFICE OF

DEC - 3 2018

VIA FEDERAL EXPRESS

Ms. Melanie Sandoval
Bureau Chief of Records Management
Public Regulation Commission
1120 Paseo de Peralta, Room 418
Santa Fe, New Mexico 87504-1269

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

SBC Advice Notice No. 69

Dear Ms. Sandoval:

On behalf of The Socorro Electric Cooperative, Inc., we enclose for filing the original and four copies each of the following:

1. Advice Notice No. 69;
2. Table of Contents of Rates;
3. Seventh Revised Rate No. 1 -- General Service;
4. Seventh Revised Rate No. 2 -- Irrigation Service;
5. Seventh Revised Rate No. 3 -- Large Power Service;
6. Eighth Revised Rate No. 4 -- Area Lighting Service;
7. Original Rate No. 6 -- Residential Service;
8. Fourth Revised Rate No. 7 -- Schedule of Fees;
9. Original Rate No. 8 -- Residential Service With ETS;
10. Original Rate No. 9 -- General Service With ETS;
11. First Revised Rate No. 14 -- Standby Service for Self-Generation;
12. Fourth Revised Rate No. 19 -- Load Management Service;
13. Third Revised Rate Rider No. 1 -- Optional Renewable Resource Power Rider;
14. Direct Testimony of Joseph Herrera, which includes a brief statement explaining what caused the need for the rate adjustment in accordance with 17.9.540.9(B)(4) NMAC;
15. Direct Testimony of Justin W. Proctor;
16. Cost of Service Study Schedules A-1.0, H-1.0, H-2.0, N-1.0, O-1.0, O-2.0, O-3.0, O-4.0, O-5.0, O-6.0, O-7.0, O-8.0, O-9.0 and O-10.0;
17. Proof of Revenue Statement;
18. Statement of Comparison Between Present Rates and Proposed Rates;


Public Regulation Commission
November 30, 2018
Page 2

19. Certified RUS Financial and Operating Report Electric Distribution; and
20. Affidavit of Utility Notice.

We also enclose a check in the amount of \$11 to cover the filing fee for eleven new/revised rates. Kindly forward an endorsed copy of each document in the enclosed self-addressed, stamped envelope. Please feel free to contact us should you have any questions. Thank you for your attention to this matter.

Very truly yours,

WIGGINS, WILLIAMS & WIGGINS
A Professional Corporation

By 
Christie Griego
Paralegal

CAG:me

Enclosures



December 13, 2018

FILED IN OFFICE OF

NMPRC
Melanie Sandoval
PERA Building
1120 Paseo De Peralta
Santa Fe, NM 87501

DEC 14 2018

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

Dear Ms. Sandoval:

Please find enclosed the corrected Page 1 of Original Rate No. 8 and Page 1 of Original Rate No. 9.

The pages that were sent with the original filing stated that the Off-Peak rate per kWh was \$0.750350. This was an error, as the correct Off-Peak rate per kWh should be \$0.075035. The rate in the official notice to the members was correct as this was just an error in the filed tariffs.

Thank you for your assistance in this matter.

Sincerely,

Joseph M. Herrera
General Manager

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THE SOCORRO ELECTRIC COOPERATIVE, INC.

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU
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Advice Notice No. 69

December 3, 2018

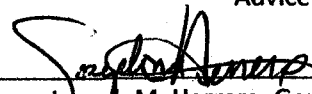
(Date)

**NEW MEXICO PUBLIC REGULATION COMMISSION
OF THE STATE OF NEW MEXICO**

The Socorro Electric Cooperative, Inc. (SEC) hereby gives notice to the public and the Commission of the filing and publishing of the following changes in Rates which are attached hereto:

<u>Rate No.</u>	<u>Title of Sheet</u>	<u>Cancelling Rate No.</u>	<u>Date Effective</u>
	Table of Contents -- Rates		
1	Seventh Revised Rate No. 1 -- General Service	Sixth Revised Rate No. 1	01/03/2019
2	Seventh Revised Rate No. 2 -- Irrigation Service	Sixth Revised Rate No. 2	01/03/2019
3	Seventh Revised Rate No. 3 -- Large Power Service	Sixth Revised Rate No. 3	01/03/2019
4	Eighth Revised Rate No. 4 -- Area Lighting Service	Seventh Revised Rate No. 4	01/03/2019
5	Cancelling Rate No. 5 -- Street and Interstate Freeway Lighting Service	Seventh Revised Rate No. 5	01/03/2019
6	Original Rate No. 6 -- Residential Service	N/A	01/03/2019
7	Fourth Revised Rate No. 7 -- Schedule of Fees	Third Revised Rate No. 7	01/03/2019
8	Original Rate No. 8 -- Residential Service With ETS	N/A	01/03/2019

Advice Notice No. 69



Joseph M. Herrera, General Manager
The Socorro Electric Cooperative, Inc.

THE SOCORRO ELECTRIC COOPERATIVE, INC.

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<u>Rate No.</u>	<u>Title of Sheet</u>	<u>Cancelling Rate No.</u>	<u>Date Effective</u>
9	Original Rate No. 9 -- General Service With ETS	N/A	01/03/2019
14	First Revised Rate No. 14 -- Standby Service for Self-Generation	Original Rate No. 14	01/03/2019
15	Cancelling Rate No. 15 -- Energy Thermal Storage	Fifth Revised Rate No. 15	01/03/2019
19	Fourth Revised Rate No. 19 -- Load Management Service	Third Revised Rate No. 19	01/03/2019
<u>Rate Rider</u>	<u>Title of Sheet</u>	<u>Cancelling Rate Rider No.</u>	<u>Date Effective</u>
1	Third Revised Rate Rider No. 1 -- Optional Renewable Resource Power Rider	Second Revised Rider No. 1	01/03/2019

Advice Notice No. 69



Joseph M. Herrera, General Manager
The Socorro Electric Cooperative, Inc.

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RECORDS MANAGEMENT BUREAU
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THE SOCORRO ELECTRIC COOPERATIVE, INC.

TABLE OF CONTENTS - RATES

<u>RATE NO.</u>	<u>TITLE OF RATE</u>	<u>REVISION</u>	
1	GENERAL SERVICE	SEVENTH REVISED	X
2	IRRIGATION SERVICE	SEVENTH REVISED	X
3	LARGE POWER SERVICE	SEVENTH REVISED	X
4	AREA LIGHTING SERVICE	EIGHTH REVISED	X
6	RESIDENTIAL SERVICE	ORIGINAL	X
7	SCHEDULE OF FEES	FOURTH REVISED	X
8	RESIDENTIAL SERVICE WITH ETS	ORIGINAL	X
9	GENERAL SERVICE WITH ETS	ORIGINAL	X
13	DISTRIBUTED GENERATION OR NET METERING	FIRST REVISED	
14	STANDBY SERVICE FOR SELF-GENERATION	FIRST REVISED	X
19	LOAD MANAGEMENT SERVICE	FOURTH REVISED	X
<u>RATE RIDER</u>	<u>TITLE OF RATE RIDER</u>	<u>REVISION</u>	
1	OPTIONAL RENEWABLE RESOURCE POWER RIDER	THIRD REVISED	X

Advice Notice No. 69



 Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC.
SEVENTH REVISED RATE NO. 1
CANCELLING SIXTH REVISED RATE NO. 1

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Page 1 of 2

GENERAL SERVICE
X- Numerous Changes

DEC - 3 2018

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative, *except* those receiving Residential or Irrigation Service, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$32.50
Energy Charge	
All kWh	@ \$0.130784 per kWh
Minimum Use Charge or "Additional Minimum"	\$5.00

There is no allowance for kWh included in the System Charge or the Minimum Use Charge.

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the System Charge, and if applicable, the Minimum Use Charge. The Minimum Use Charge only applies to accounts whose monthly usage falls below the amount required to support distribution and billing related costs.

TEMPORARY DISCONTINUANCE OF SERVICE

If the same member requests a disconnection and connection of service at the same location within a twelve-month period, the member shall be required to pay a charge for each of the intervening months of \$32.50 per month, plus a connect fee, and, if applicable, a deposit as specified by the established rules and regulations of the Cooperative.

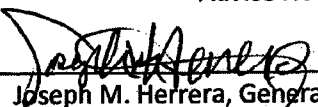
ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC.
SEVENTH REVISED RATE NO. 1
CANCELLING SIXTH REVISED RATE NO. 1

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GENERAL SERVICE
X- Numerous Changes

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

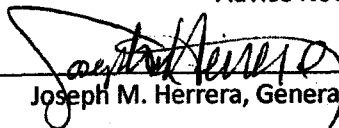
TEMPORARY OR UNUSUAL SERVICE

Temporary or unusual service will be covered by the Cooperative's Rules and Regulations. In such cases, the minimum charges, conditions of furnishing substation equipment, connection and disconnection of service and special conditions will be covered by special agreement with the member. The member shall pay for all expenses involved in furnishing the temporary service.

CONDITIONS OF SERVICE

- (1) The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
- (2) All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
- (3) The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
- (4) The member shall not resell or share electric service with others.
- (5) Special conditions of service shall be covered by contract.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SEVENTH REVISED RATE NO. 2
CANCELLING SIXTH REVISED RATE NO. 2

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IRRIGATION SERVICE
X-Numerous Changes

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative receiving electric service for irrigation motors, used for agricultural purposes, rated 5 horsepower and greater, for all electric service supplied at one point of delivery and measured through one meter, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$10.00
Energy Charge	
All kWh	@ \$0.11000 per kWh
Horsepower (HP) Charge	\$1.05 per HP, per month

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the System Charge and the Horsepower Charge.

DETERMINATION OF HORSEPOWER

The assigned billing horsepower shall be the motor manufacturer's nameplate rating of horsepower output. If this information is not available it shall be determined by actual measurements of power input during a period of maximum normal use, less an allowance of 10% of input for motor losses.

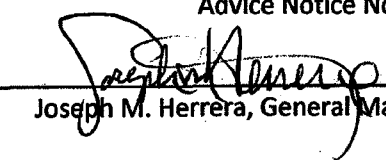
TEMPORARY DISCONTINUANCE OF SERVICE

If the same member requests a disconnection and connection of service at the same location within a twelve-month period, the member shall be required to pay a charge for each of the intervening months of \$10.00 per month, plus the Horsepower Charge @\$1.05/HP per month, plus a connect fee, and, if applicable, a deposit as specified by the established rules and regulations of the Cooperative.

ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SEVENTH REVISED RATE NO. 2
CANCELLING SIXTH REVISED RATE NO. 2

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IRRIGATION SERVICE
X-Numerous Changes

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

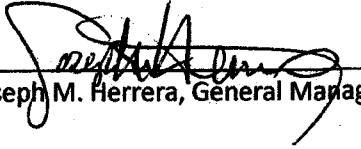
BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. Special conditions of service shall be covered by contract.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SEVENTH REVISED RATE NO. 3
CANCELLING SIXTH REVISED RATE NO. 3

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LARGE POWER SERVICE
X-Numerous Changes

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NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative, *except* those receiving Irrigation Service, requiring 50 kVa or more of transformer capacity, for all electric service at one point of delivery and measured through one meter, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$85.00
Energy Charge	
First 200 kWh per kW	@ \$0.138320 per kWh
Next 200 kWh per kW	@ \$0.081380 per kWh
Over 400 kWh per kW	@ \$0.050000 per kWh
Demand Charge	
NCP Peak kW	\$8.50 per kW
Capacity Charge (if applicable)	
Per kVa	\$1.20/kVa

There is no allowance for kWh included in the System Charge.

MINIMUM BILLING PERIOD CHARGES

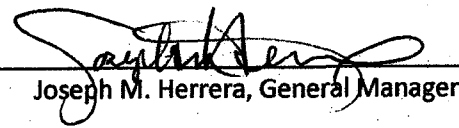
The minimum billing period charges shall be the highest of the following:

1. The System Charge, plus the Demand and Energy Charges, or
2. The System Charge, plus the Capacity Charge, or
3. The amount specified in the written contract between the Cooperative and the member.

METERING

The Cooperative shall install suitable demand and power factor measuring devices for billing under this schedule.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SEVENTH REVISED RATE NO. 3
CANCELLING SIXTH REVISED RATE NO. 3

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LARGE POWER SERVICE
X-Numerous Changes

DETERMINATION OF BILLING DEMAND AND CONSUMPTION

The Non-Coincident Peak (NCP) kilowatt (kW) billing period demand, shall be the maximum kW demand recorded for any rolling fifteen (15) minute period, but in no event shall it be less than the contracted minimum kW demand.

Where highly fluctuating or intermittent loads, such as welding machines, electric furnaces, hoists, elevators, or the like, are in operation by the member, which may prove impractical in properly determining the NCP kW billing demand, the Cooperative reserves the right to determine the NCP kW billing demand by increasing the 15-minute measured maximum demand by an amount equal to 65% of the nameplate rated kVA capacity of the fluctuating equipment in operation by the member.

POWER FACTOR ADJUSTMENT

The member agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 95%. Such adjustments will be made by increasing the measured demand proportionally to the amount by which the average power factor is less than 95%.

ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the members such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

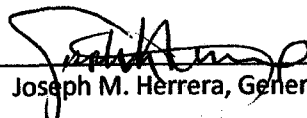
FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SEVENTH REVISED RATE NO. 3
CANCELLING SIXTH REVISED RATE NO. 3

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LARGE POWER SERVICE
X-Numerous Changes

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

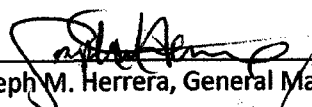
BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. Service will be rendered under this schedule for an initial contract period of not less than 12 months.
6. Special conditions of service shall be covered by contract.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
EIGHTH REVISED RATE NO. 4
CANCELLING SEVENTH REVISED RATE NO. 4

Page 1 of 2

AREA LIGHTING SERVICE
X-Numerous Changes

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AVAILABILITY

Available to all members within the service territory of the Cooperative. NM PUBLIC REGULATION COMM

CHARACTER OF SERVICE

RECORDS MANAGEMENT BUREAU

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

High Pressure Sodium (HPS)	Mercury Vapor (MV)-No new installations allowed	Light Emitting Diode (LED)	
Non-LED		LED	
150-watt HPS	\$13.99/fixture/per month	31-watt LED	\$13.70/fixture/per month
250-watt HPS	\$17.84/fixture/per month	50-watt LED	\$13.99/fixture/per month
400-watt HPS	\$24.84/fixture/per month	115-watt LED	\$17.84/fixture/per month
175-watt MV	\$15.99/fixture/per month	199-watt LED	\$24.84/fixture/per month
250-watt MV	\$18.42/fixture/per month		
400-watt MV	\$27.69/fixture/per month		

These rates, and the adjustments set forth below, are based on average billing period consumptions per fixture as follows:

Non-LED		LED	
150-watt HPS	70 kWh/per month	31-watt LED	11 kWh/per month
250-watt HPS	110 kWh/per month	50-watt LED	18 kWh/per month
400-watt HPS	176 kWh/per month	115-watt LED	41 kWh/per month
175-watt MV	78 kWh/per month	199-watt LED	72 kWh/per month
250-watt MV	110 kWh/per month		
400-watt MV	180 kWh/per month		

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the fixture charge.

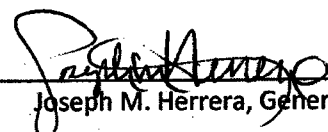
ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
EIGHTH REVISED RATE NO. 4
CANCELLING SEVENTH REVISED RATE NO. 4

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AREA LIGHTING SERVICE
X-Numerous Changes

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.


BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. Special conditions of service shall be covered by contract.
6. Installation may be inoperative at times, but such period shall not cause the net rate per billing period to be adjusted.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC

RATE NO. 6

ORIGINAL RATE NO. 6

RESIDENTIAL SERVICE

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Page 1 of 2

DEC -- 3 2018

NM PUBLIC REGULATION COMM

RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative requiring electric service for residential homes, dwelling units, individually metered apartments and domestic water wells, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$22.75
Energy Charge	
All kWh	@ \$0.125190 per kWh
Minimum Use Charge or "Additional Minimum"	\$5.00

There is no allowance for kWh included in the System Charge or the Minimum Use Charge.

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the System Charge, and if applicable, the Minimum Use Charge. The Minimum Use Charge only applies to Members whose monthly usage falls below the amount required to support distribution and billing related costs.

TEMPORARY DISCONTINUANCE OF SERVICE

If the same member requests a disconnection and connection of service at the same location within a twelve-month period, the member shall be required to pay the System Charge for each of the intervening months of \$22.75, plus a connect fee, and, if applicable, a deposit as specified by the established rules and regulations of the Cooperative.

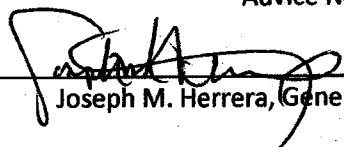
ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
RATE NO. 6
ORIGINAL RATE NO. 6
RESIDENTIAL SERVICE

Page 2 of 2

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

BUDGET PAYMENT PLAN

Upon the request of the member, the Cooperative will provide a budget payment plan in accordance with the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. Special conditions of service shall be covered by contract.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 7
CANCELLING THIRD REVISED RATE NO. 7

FILED IN OFFICE OF

DEC - 8 2018
Page 1 of 2

SCHEDULE OF FEES
(X-Numerous Changes)

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

The definition for all items described below can be found under Rule No. 5 "FEES" on file with the New Mexico Public Regulation Commission.

APPLICABILITY

Applicable to all members of the Cooperative requiring electric service.

DELINQUENT ACCOUNTS

Late Fee	No greater than the amount allowed by law
Door Hanger Fee	\$30.00
Collection Fee	\$30.00
Reconnect Fee	
During Office Hours*	\$30.00
After Office Hours**	\$100.00

*Office Hours: 8:00 A.M.- 4:30 P.M. MST - Monday through Friday

**After Office Hours: 4:30 P.M.- 8:00 A.M. MST - Monday through Friday & Weekends.

MISCELLANEOUS

Returned Payment Fee	\$30.00
Connect Fee	\$30.00
Transfer Fee	\$30.00
Tampering Fee*	\$500.00 plus estimated unbilled usage/per offense

*(SEC retains the right to file criminal charges for tampering.)

DEPOSITS (REFUNDABLE)

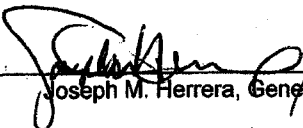
Not to exceed one-Sixth (1/6) of the estimated annual billings at the location being connected.

METERING

Meter Change Fee	\$35.00
Meter Test Fee	
In House	\$15.00
3 rd Party	Actual Cost
Meter Re-Read Fee	\$25.00
Meter Replacement Fee*	Current Replacement Cost

*(This fee applies in the event the meter is damaged due to fire, vandalism, or is stolen. If member provides a police report to SEC within 15 days, the fee will be refunded.)

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 7
CANCELLING THIRD REVISED RATE NO. 7

Page 2 of 2

SCHEDULE OF FEES
(X-Numerous Changes)

OPERATIONS

Outage Service Call Fee

During Crew Hours*

\$75.00

After Crew Hours**

\$125.00

(Outage will be assessed by crew upon arrival, if the outage is beyond the point of connection, fee will be billed.)

Engineering Deposit or Fee (Non-Refundable)

\$200.00

Reconnection of Service Wires (Per Connection)

During Crew Hours Only*

\$150.00

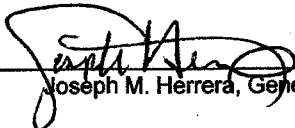
*Crew Hours: 7:00 A.M.-3:30 P.M. MST-Monday through Friday

**After Crew Hours: 3:30 P.M.-7:00 A.M. MST Monday through Friday & Weekends

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC

RATE NO. 8

ORIGINAL RATE NO. 8

FILED IN OFFICE OF ^{Page 1 of 2}

RESIDENTIAL SERVICE WITH ETS

DEC - 3 2018

NM PUBLIC REGULATION COMM

RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative requiring electric service for residential homes, dwelling units, individually metered apartments and domestic water wells, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, *and* who have an Electric Thermal Storage or "Energy Thermal Storage" (ETS) heater installed, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$22.75
Energy Charge	
All kWh consumed during On-Peak hours*	@ \$0.173600 per kWh
All kWh consumed during Off-Peak hours**	@ \$0.075035 per kWh
Minimum Use Charge or "Additional Minimum"	\$5.00

There is no allowance for kWh included in the System Charge or the Minimum Use Charge.

*On-Peak Hours: 6:00 A.M. - 9:00 P.M. MST

**Off-Peak hours: 9:00 P.M. - 6:00 A.M. MST

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the System Charge, and if applicable the Minimum Use Charge. The Minimum Use Charge only applies to accounts whose monthly usage falls below the amount required to support distribution and billing related costs.

TEMPORARY DISCONTINUANCE OF SERVICE

If the same member requests a disconnection and connection of service at the same location within a twelve-month period, the member shall be required to pay a charge for each of the intervening months of \$22.75 per month, plus a connect fee, and, if applicable, a deposit as specified by the established rules and regulations of the Cooperative.

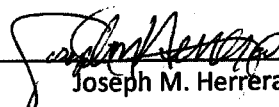
ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

Advice Notice No. 69


Joseph M. Herrera, General Manager

RESIDENTIAL SERVICE WITH ETS

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

BUDGET PAYMENT PLAN

Upon the request of the member, the Cooperative will provide a budget payment plan in accordance with the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

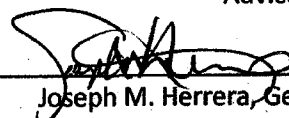
BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. The member must have an ETS heater installed to qualify for this rate.
6. Special conditions of service shall be covered by contract.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC

RATE NO. 9

ORIGINAL RATE NO. 9

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Page 1 of 2

GENERAL SERVICE WITH ETS

DEC - 3 2018

NM PUBLIC REGULATION COMM

RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all members of the Cooperative, *except* those receiving Residential or Irrigation Service, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, *and* who have an Electric Thermal Storage or "Energy Thermal Storage" (ETS) heater installed, within the service territory of the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$22.75
Energy Charge	
All kWh consumed during On-Peak hours*	@ \$0.173600 per kWh
All kWh consumed during Off-Peak hours**	@ \$0.075035 per kWh
Minimum Use Charge or "Additional Minimum"	\$5.00

There is no allowance for kWh included in the System Charge or the Minimum Use Charge.

*On-Peak: 6:00 A.M. - 9:00 P.M. MST

**Off-Peak: 9:00 P.M. - 6:00 A.M. MST

MINIMUM BILLING PERIOD CHARGES

The minimum billing charges shall be the System Charge, and if applicable the Minimum Use Charge. The Minimum Use Charge only applies to Members whose monthly usage falls below the amount required to support distribution and billing related costs.


TEMPORARY DISCONTINUANCE OF SERVICE

If the same member requests a disconnection and connection of service at the same location within a twelve-month period, the member shall be required to pay a charge for each of the intervening months of \$32.50 per month, plus a connect fee, and, if applicable, a deposit as specified by the established rules and regulations of the Cooperative.

ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
RATE NO. 9
ORIGINAL RATE NO. 9

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GENERAL SERVICE WITH ETS

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

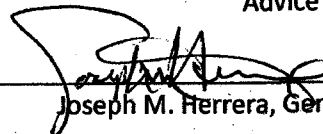
BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. The member must have an ETS unit installed to qualify for this rate.
6. Special conditions of service shall be covered by contract.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SECOND REVISED RATE NO. 14
CANCELLING ORIGINAL RATE NO. 14

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Page 1 of 4

STANDBY SERVICE FOR SELF-GENERATION
X-Numerous Changes

DEC - 5 2018

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to members within the service territory of the Cooperative who have generation or co-generation facilities, intended to offset all or partial member load, and who require 1000 kW or greater of the Cooperative's standard service for purposes of providing standby or reserve power. This retail rate applies to the load that is being offset by the member's generation. All remaining load will be charged at standard retail rates. This is retail service and resale is prohibited.

Service is available only if the Cooperative has adequate facilities to serve the member, or if adequate facilities can be built or upgraded at member's expense, to provide such service, and if service to the member will not, in the Cooperative's judgment, impair the Cooperative's ability to serve the requirements of other members at any time.

CHARACTER OF SERVICE

The type of service available under this rate schedule shall be in accordance with the Cooperative's Service Rules and Regulations for all the electric service supplied at one point of delivery and measured through one meter. If service of the type desired by the member is not already available at the point of delivery, additional charges under the Cooperative's Line and Service Extension Rules and special contract arrangements may be required prior to service being furnished.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge" \$250.00

Retail Demand Charges per Billing NCP kW per month:

Distribution Secondary	\$8.65
Distribution Primary	\$7.00
Substation	\$2.95
Transmission	\$0.75

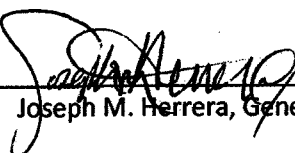
-PLUS-

Wholesale Power Cost as determined below.

WHOLESALE POWER COST

The total cost of power incurred by the Cooperative to serve the member including but not limited to power supply capacity and power supply energy, power supply fuel, purchased power demand and energy, transmission delivery, ancillary, and support charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SECOND REVISED RATE NO. 14
CANCELLING ORIGINAL RATE NO. 14

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STANDBY SERVICE FOR SELF-GENERATION
X-Numerous Changes

The power cost will be calculated using the billing units defined in the same manner as defined in the applicable wholesale rate and other charges to the Cooperative. The member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate member's power cost at the wholesale supplier's metering point to the Cooperative.

MINIMUM BILLING PERIOD CHARGES

1. The minimum monthly charge as specified in the contract for service, or
2. The System Charge plus the retail Demand Charges.

METERING

The Cooperative shall install suitable demand and power factor measuring devices for billing under this schedule.

DETERMINATION OF RETAIL BILLING DEMAND AND CONSUMPTION

The Retail Demand shall be the greater of:

1. The maximum Non-Coincident Peak (NCP) kilowatt (kW) established by the member for peak 15-minute interval during the month for which the bill is rendered as indicated or recorded on a demand meter and adjusted for power factor as provided below; or
2. One hundred percent (100%) of the highest retail demand established in the eleven (11) months preceding the current billing period; or
3. The manufacturer nameplate capacity rating.

The Non-Coincident Peak (NCP) kilowatt (kW) billing period demand shall be the maximum kW demand established by a member for any rolling fifteen (15) minute period during the billing period, but in no event shall it be less than the contracted minimum kW demand.

POWER FACTOR ADJUSTMENT

The member agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 95%. Such adjustments will be made by increasing the measured demand proportionally to the amount by which the average power factor is less than 95%.

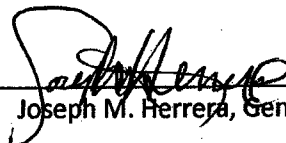
ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

Advice Notice No. 69


Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
SECOND REVISED RATE NO. 14
CANCELLING ORIGINAL RATE NO. 14

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STANDBY SERVICE FOR SELF-GENERATION
X-Numerous Changes

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

A Contract Agreement will be required.

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. The member will notify the Cooperative by telephone each time that standby power is taken for maintenance, operational or emergency needs. Member will provide notice in advance of any scheduled outages and indicate estimated duration of outage.

Advice Notice No. 69


Joseph M. Herrera, General Manager

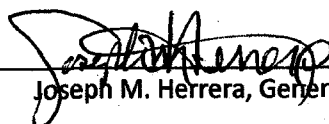
SOCORRO ELECTRIC COOPERATIVE, INC
SECOND REVISED RATE NO. 14
CANCELLING ORIGINAL RATE NO. 14

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STANDBY SERVICE FOR SELF-GENERATION
X-Numerous Changes

6. Service under this tariff will not be provided unless member has complied with:
 - a. All the Cooperative's requirements related to the interconnection of generation facilities; and
 - b. All the requirements of the Cooperative's wholesale power supplier related startup and supplemental power and to the interconnection of generation facilities.
7. In order to protect its equipment due to overload conditions, the Cooperative may require member to install, at the member's expense, an approved shunt trip type breaker and an approved automatic disconnect switch. Such equipment shall be under the sole control of the Cooperative, to allow the Cooperative to break the connection with its service in the event member-owner's demand materially exceeds that for which the member-owner contracted.
8. In the event member's use of service is intermittent or subject to violent fluctuations, the Cooperative will require member to install and maintain, at members expense, suitable equipment to satisfactorily limit such intermittence or fluctuations.
9. At no time will member's generating equipment be operated in parallel with the Cooperative's service unless, the manner of such operation has been approved by the Cooperative and is in compliance with the Cooperative's operating standards for system reliability and safety.
10. The member shall provide documentation stating the maximum capacity and anticipated reliability of the power source for which standby service is required.
11. Any and all facilities required by the Cooperative's wholesale supplier will be the responsibility of the member. This includes, but is not limited to, additional meters, metering communications, etc.
12. The member will be responsible for a system impact study to be conducted in order to safeguard the Cooperative's system.
13. The member and the Cooperative can agree to facilities demands in special circumstances.
14. The member will be provided written notice of any changes to the standby and reserve rates prior to the effective date. Service under this tariff shall be for periods of not less than twelve (12) months.

Advice Notice No. 69


Joseph M. Herrera, General Manager

DEC - 8 2018

SOCORRO ELECTRIC COOPERATIVE, INC
THIRD REVISED RATE NO. 19
CANCELLING SECOND REVISED RATE NO. 19

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

Page 1 of 3

LOAD MANAGEMENT SERVICE
X-Numerous Changes

AVAILABILITY

Available to all members of the Cooperative, who contract to purchase service of at least one thousand kilowatts (1,000 kW) and who will maintain a minimum monthly load factor of 80%, within the service territory of the Cooperative.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

System Charge or "Customer Charge"	\$600.00
Energy Charge	
All kWh	@ \$0.079202 per kWh
Demand Charge	
NCP Peak kW	\$17.50 per kW

There is no allowance for kWh included in the System Charge.

MINIMUM BILLING PERIOD CHARGES

The minimum billing period charges shall be the System Charge, plus 1,000 kW of demand at the Demand Charge.

METERING

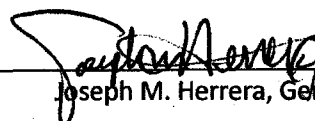
The Cooperative shall install suitable demand and power factor measuring devices for billing under this schedule.

DETERMINATION OF BILLING DEMAND AND CONSUMPTION

Demand to be billed each month under this rate schedule shall be the greater of 1,000 kilowatts (kW) or the Maximum Actual Demand.

The Non-Coincident Peak (NCP) kilowatt (kW) billing period demand, shall be the maximum kW demand recorded for any rolling fifteen (15) minute period, but in no event shall it be less than the contracted minimum kW demand. This amount shall be adjusted, if necessary, to account for losses between the metering location and the point of delivery to the member.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
THIRD REVISED RATE NO. 19
CANCELLING SECOND REVISED RATE NO. 19

Page 2 of 3

LOAD MANAGEMENT SERVICE
X-Numerous Changes

POWER FACTOR ADJUSTMENT

The member agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 95%. Such adjustments will be made by increasing the measured demand proportionally to the amount by which the average power factor is less than 95%.

LOAD FACTOR ADJUSTMENT

Should the load factor in the billing period be less than 80%, the metered kWh of energy will be increased by an amount, based on the kW of measured demand, to maintain an 80% load factor. The billing kWh will then be applied to the rate per kWh as stated above.

ADDITIONAL CHARGES

Additional charges may be established in accordance with applicable Line and Service Extension Rules or by special contract between the member and the Cooperative.

DEBT COST ADJUSTMENT ("DCA FACTOR")

The Cooperative shall flow through to the members such increases or decreases in debt cost in accordance with 17.9.540.16 NMAC.

FUEL AND PURCHASED POWER COST ADJUSTMENT ("PCA FACTOR")

The Cooperative shall flow through to the users such increases or decreases in fuel and purchased power cost in accordance with 17.9.550.12 NMAC.

TAX ADJUSTMENT

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LATE FEE

A late fee, no greater than the amount allowed by law, will be charged on all unpaid amounts due for utility service, which are delinquent per the provisions of the rules and regulations filed by the Cooperative and approved by the New Mexico Public Regulation Commission.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC
THIRD REVISED RATE NO. 19
CANCELLING SECOND REVISED RATE NO. 19

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LOAD MANAGEMENT SERVICE
X-Numerous Changes

BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. All wiring, poles, lines and other equipment electrically located on the load side of the metering point, shall be considered the distribution system of the member and shall be furnished and maintained by the member.
3. The member's installation shall conform to City, State, and National Electrical Codes and Electrical Safety Codes.
4. The member shall not resell or share electric service with others.
5. Service will be rendered under this schedule for an initial contract period of not less than 12 months.
6. Special conditions of service shall be covered by contract.

Advice Notice No. 69



Joseph M. Herrera, General Manager

SOCORRO ELECTRIC COOPERATIVE, INC.
THIRD REVISED RATE RIDER NO. 1
CANCELLING SECOND REVISED RATE RIDER NO. 1 FILED IN OFFICE OF
Page 1 of 1
OPTIONAL RENEWABLE RESOURCE POWER RIDER DEC - 8 2018
X-Numerous Changes

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

AVAILABILITY

Available to all grid-tied members of the Cooperative within the service territory of the Cooperative, who have a valid Optional Renewable Resource Power Rider Intent to Purchase Application on file with the Cooperative. The availability is limited to the amount of renewable resources available.

CHARACTER OF SERVICE

Service available under this schedule shall be alternating current, single and/or three-phase, 60 Hertz, at available secondary voltages.

NET RATE PER BILLING PERIOD (or part thereof/service)

The rate for this service will be a renewable power premium (added charge) for all renewable power delivered to the participating member. The renewable power shall be purchased in blocks of 100 kWh. The monthly renewable power premium for each 100-kWh block shall be the current rate charged to the Cooperative from the Cooperative's Wholesale Power Supplier.

MINIMUM BILLING PERIOD CHARGES

The monthly rate, including all applicable adjustments, set forth in the tariff under which the participating member is presently served, will apply, including a renewable power premium (added charge) for all renewable power contracted for the member.

TERMS OF PAYMENT

All bills are net and payable within at least 20 days from the date of bill.

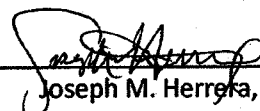
BILLING PERIOD

The billing period shall be approximately 1/12 of a year but not necessarily a calendar month.

CONDITIONS OF SERVICE

1. The Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission shall apply.
2. It is understood by the member that by opting to use this optional renewable resource rate rider, the member is subject to the same terms and conditions that the Cooperative is subject to through the Wholesale Power supplier wholesale renewable energy tariff.
3. The member must fill out an Optional Renewable Resource Rider Intent to Purchase Application.

Advice Notice No. 69


Joseph M. Herrera, General Manager

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF REQUEST
FOR APPROVAL OF GENERAL
RATE ADJUSTMENT**

**SOCORRO ELECTRIC
COOPERATIVE, INC.,**

Petitioner.

Case No. _____

FILED IN OFFICE OF

DEC -- 8 2018

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

DIRECT TESTIMONY

OF

JOSEPH HERRERA

ON BEHALF OF

SOCORRO ELECTRIC COOPERATIVE, INC.

November 20, 2018

Direct Testimony of Joseph Herrera

1 **Q. STATE YOUR NAME FOR THE RECORD.**

2 A. Joseph Herrera

3 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?**

4 A. I am employed by The Socorro Electric Cooperative, Inc. ("SEC") as the CEO
5 and General Manager.

6 **Q. HOW LONG HAVE YOU BEEN IN THE POSITION OF CEO/GENERAL
7 MANAGER FOR SEC?**

8 A. I have been employed by SEC since January 2011. I have held the position of
9 CEO/General Manager throughout my employment with SEC.

10 **Q. PLEASE DESCRIBE YOUR DUTIES AND RESPONSIBILITIES FOR
11 THE POSITION.**

12 A. As the CEO/General Manager, I manage the overall activities of SEC.
13 Specifically, the Board of Trustees has delegated to me the responsibility for
14 executing and applying plans, programs and policies approved by the Board and
15 the responsibility for organizing and maintaining an efficient organization that
16 best serves the interests of the membership.

17 **Q. PLEASE DESCRIBE SEC AND ITS SERVICE TERRITORY.**

18 A. SEC is a rural electric, not-for-profit distribution cooperative which owns,
19 operates and controls plant, property and facilities that provide retail electric

Direct Testimony of Joseph Herrera

1 energy to our member/owners in Southern New Mexico. SEC provides electric
2 service in Catron, Cibola, Sierra, Socorro, and Valencia counties in New Mexico
3 to approximately 8,502 consumers at approximately 12,727 meters. SEC is a
4 member of Tri-State Generation and Transmission Association, Inc. ("Tri-State"),
5 which is a rural electric cooperative association organized for the principal
6 purpose of supplying power and energy to its members. SEC has an all-
7 requirements contract for its power and energy and purchases its power
8 requirements from Tri-State. SEC is represented on the Board of Directors of Tri-
9 State, and is certified and authorized to conduct the business of providing public
10 utility service within the state of New Mexico, and is a public utility as defined in
11 the Public Utility Act, NMSA 1978, Sections 62-3-1 to -5 (1967, as amended
12 through 2009).

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

14 A. I am submitting testimony to support and discuss the reasons for the Proposed
15 Rate Schedules of SEC which are filed pursuant to Rule 17.9.540 NMAC ("Rule
16 540") of the New Mexico Public Regulation Commission ("Commission").

17 **Q. WHAT IS YOUR UNDERSTANDING OF THE PURPOSE OF RULE 540?**

18 A. The purpose of Rule 540 is to allow rural electric cooperatives organized under
19 the Rural Electric Cooperative Act to propose a new rate or rates in a more

Direct Testimony of Joseph Herrera

1 efficient and expeditious manner. Although Rule 540 limits the regulatory
2 oversight of the process by which rural electric cooperatives set rates, it does not
3 eliminate such oversight. Instead, it helps avoid unnecessary, time-consuming
4 and very costly regulatory proceedings to review rates that have been established
5 and authorized by the elected representatives of the cooperative membership,
6 when there is not significant objection to the proposed rates.

7 **Q. WHEN WAS SEC'S LAST GENERAL RATE CASE?**

8 A. SEC filed the last rate adjustment as Advice Notice No. 64 for rates effective
9 March 5, 2011. That filing incorporated into its base rates the cost of purchased
10 power that increased effective January 1, 2011 from its power supplier and interest
11 on its long term debt.

12 **Q. HOW HAS SEC OPERATED FOR THE PAST SEVEN PLUS YEARS**
13 **WITHOUT ANY GENERAL RATE CHANGES?**

14 A. SEC has done an excellent job in avoiding rate increases to our members through
15 careful management of our costs to provide service. SEC has worked hard to
16 manage expenses over the period while providing consistent and dependable
17 service to our membership.

18 **Q. PLEASE DESCRIBE SEC'S NEED FOR THIS RATE INCREASE.**

Direct Testimony of Joseph Herrera

1 A. Declining margins due to SEC's promotion of Energy Star and other energy
2 efficiency products, improved construction standards, moving our load base to
3 cheaper natural gas heating, and an ageing and declining service area population
4 all contribute to SEC's need for an increase in rates. An increase in SEC's
5 operating controllable expenses with declining energy (kWh) sales over the last
6 six years is also a significant factor. The current rates do not adequately capture
7 the necessary revenues to cover SEC's net operating fixed cost. SEC must have
8 sufficient revenues to improve our financial loan covenants' condition
9 requirements with RUS FFB and CoBank. In our current rate design, a significant
10 portion of SEC's fixed costs and margins are recovered through the energy charge
11 (kWh) portion. As SEC's fixed costs continue to rise and/or kWh sales decline,
12 SEC has lower revenue because a portion of our fixed costs goes unrecovered.
13 Most of the proposed new revenue will be recovered from the changes in the
14 monthly Service Charge for all members in each rate class. This monthly Service
15 Charge is different for each "class" of members on SEC's system, which include:
16 Residential, Small Commercial, Irrigation, Large Commercial or Area Lighting.
17 By increasing our System Charge, SEC can recover our fixed costs in a more
18 stable method and from each class of members.

Direct Testimony of Joseph Herrera

1 Q. PLEASE DESCRIBE THE PROCESS THAT WAS FOLLOWED IN
2 DETERMINING THE NEED FOR AND AMOUNT OF THE RATE
3 ADJUSTMENT REQUESTED IN THIS PROCEEDING.

4 A. SEC used a cost of service study that provided information for guidelines for our
5 rate design.

6 Q. WILL EACH OF YOUR CUSTOMER CLASSES RECEIVE A RATE
7 REDUCTION?

8 A. No. As detailed in Schedules H-1.0 and H-2.0 attached to the testimony of Justin
9 Proctor, the following table shows the class rates of return under current rates and
10 with the rate change:

Class	Rate of Return	
	Current	w/ Change
Residential	-1.288%	0.795%
Small Commercial	6.851%	9.350%
Large Commercial	29.094%	32.476%
Irrigation	-11.864%	-9.635%
Load Management	31.815%	36.705%
Lights	0.619%	2.706%
Total	4.818%	7.220%

20 Q. WOULD THE FINANCIAL INTEGRITY OF SEC AND SEC'S SERVICE
21 TO ITS CUSTOMERS BE JEOPARDIZED WITHOUT THE PROPOSED
22 RATE CHANGE?

Direct Testimony of Joseph Herrera

1 A. No. SEC has gone almost a decade without having a general rate increase and as
2 mentioned above, SEC was aware that even after Advice Notice 64 was filed,
3 some rate classes would continue to be subsidized by other classes.

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**


5 A. Yes, it does.

Direct Testimony of Joseph Herrera

VERIFICATION

STATE OF NEW MEXICO)
) ss.
COUNTY OF SOCORRO)

Before me, this undersigned notary public, personally appeared Joseph Herrera, who being by me first duly sworn upon oath, deposes and says that the foregoing prepared Direct Testimony is true and correct to the best of his knowledge and belief.

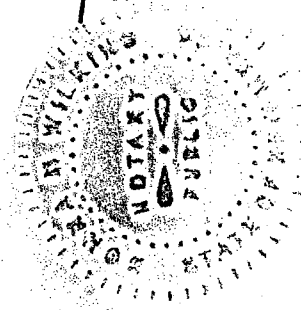

Joseph Herrera

SUBSCRIBED AND SWORN before me this 20th day of November, 2018, by Joseph Herrera.

Donna M. Wilkins
Notary Public

My Commission Expires: 7/23/2021

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BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF REQUEST
FOR APPROVAL OF GENERAL
RATE ADJUSTMENT**

**SOCORRO ELECTRIC
COOPERATIVE, INC.,**

Petitioner.

Case No. _____

FILED IN OFFICE OF

DEC -- 5 2018

DIRECT TESTIMONY

**NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU**

OF

**JUSTIN W. PROCTOR
C. H. GUERNSEY & COMPANY
OKLAHOMA CITY, OKLAHOMA**

**ON BEHALF OF
SOCORRO ELECTRIC COOPERATIVE, INC.**

Direct Testimony of Justin W. Proctor

Q. Please state your name and business address.

A. My name is Justin Proctor and my business address is 5555 North Grand Boulevard, Oklahoma City, Oklahoma 73112-5507.

Q. By whom are you employed and what is your position?

A. I am employed by C. H. Guernsey & Company, Engineers • Architects • Consultants. I am a Senior Consultant. I primarily prepare Cost of Service and Rate Studies for rural electric cooperatives.

Q. Please summarize your educational and professional background.

A. I earned a Bachelor of Business Administration degree from Tarleton State University and an M.B.A. degree from West Texas A&M University.

Q. Have you previously testified before regulatory commissions?

A. No.

Q. Have you been asked to perform any work in connection with this matter?

A. Yes.

Q. By whom?

A. Socorro Electric Cooperative, Inc. ("Socorro Electric" or the "Cooperative"), the applicant.

Q. What is the purpose of your testimony?

A. My testimony will focus on:

Direct Testimony of Justin W. Proctor

1. The development of Socorro Electric's adjusted test year revenues and operating expenses, and
2. The Cost of Service Study.

Q. Who supplied the basic data used in the development of the COS Study?

A. All the data was supplied by Socorro Electric.

Q. What is the test year used in the COS Study?

A. The test year is the twelve months ending December 31, 2017.

Q. Please explain the development of the adjusted test year operating revenues and expenses.

A. The adjusted operating revenues and expenses were determined by making adjustments to the test year expenses for known, measurable, and continuing changes.

Q. Please summarize and explain the adjustments to the test year as well as any reclassifications of revenues and expenses.

A. Adjustments are made to the historical test year to restate revenues, operating expenses, and interest on long-term debt to reflect current rates and costs. Socorro Electric's rates have a Debt Cost Adjustment (DCA) clause. Socorro Electric's DCA revenues were restated to reflect full recovery and/or refund of debt cost from the current DCA base cost.

Direct Testimony of Justin W. Proctor

Socorro Electric purchases wholesale capacity and energy from Tri-State Generation & Transmission Cooperative (Tri-State). Adjusted purchased power expense reflects 2017 purchases billed under the Tri-State A-40 rate. Since Socorro Electric's rates have a Fuel Cost Adjustment (FCA) clause, revenues were restated to reflect full recovery of power cost in excess of the current PCA base cost. The PCA and DCA Over or Under Recovery revenues booked in the test year were removed since the adjusted PCA and DCA revenues reflect a full recovery.

Adjustments to operating expenses are for payroll, employee benefits, payroll taxes, rate case, depreciation, property taxes and the amortized loss on retired meter plant. The adjustment to interest on long-term debt annualized interest cost on test year end outstanding debt.

After making adjustments to the test year, the adjusted test year revenues are \$24,703,623 and adjusted operating expenses (excluding Interest and Other Deductions) are \$22,196,056. The return for the adjusted test year is \$2,507,567. When the adjusted test year Interest and Other Deductions of \$2,097,912 are deducted from the return, the adjusted test year operating margin is \$409,655.

Q. Have you prepared a cost of service study for Socorro Electric?

A. Yes.

Direct Testimony of Justin W. Proctor

Q. What is the purpose of the cost of service study?

A. The cost of service study assigns plant investment and operating expenses associated with providing service to customer classes. When the revenue requirement for the total system has been identified, assignments of plant investment and operating expenses are used in assigning the total revenue requirement to the customer classes. I prepared a cost of service study based on the adjusted test year using generally accepted procedures and methodologies. The study used variations of three basic types of allocation factors -- demand, customer, and energy allocation factors.

Q. Describe the results of the cost of service study.

A. With the cost of service study, the adjusted test year rate base, operating revenues under current rates, and operating expenses were identified for each rate class. While Socorro Electric's overall adjusted test year return is 4.82% on rate base, the study showed that class rates of return ranged from a deficit of 11.86% to a positive return of 31.81%. Revenue deficiencies based on a rate of return of 7.22% and on a margin as percent of revenue of 6.39% were identified. These criteria showed class changes ranged from reductions of 17.38% to increases of 89.86% in order for each rate class to produce a uniform rate of return. Even though cost justified, in most circumstances, a 86%, or even 29% increase, to a

Direct Testimony of Justin W. Proctor

class is unacceptable. The class rates of return and the class revenue deficiencies identify the extent of inter-class subsidies and serves as a guideline for rate-making decisions.

- Q. Does the cost of service provide other information for guidelines for rate design?
- A. Yes. As part of the cost allocation, cost components are tagged for each allocation factor and thus for the investment or expense allocated directly by the factor or by a subsequent total involving that factor. Cost components are identified for purchased power costs and for Socorro Electric's wires costs. The purchased power cost components are generation capacity, and generation variable (energy and fuel). Socorro Electric's wires costs components are separated into demand and customer related costs. These cost components, including a return component, are identified for each class and the unit cost is calculated based on the billing units available for the class.

For example, the customer component of expense is \$43.13 per month per meter for the Residential classes and is \$137.30 per month per meter for the Large Commercial class. The wires demand component for the Large Power class is \$6.36 per metered kW per month. These cost components serve as guidelines for rate charges. Comparing the cost components with the rate charges identifies intra-class subsidies.

Direct Testimony of Justin W. Proctor

- Q. What are the class rates of return before and after the rate change?
- A. Schedules H-1.0 and H-2.0 show the class rates of return. The following table shows the class rates of return under current rates and with the rate change.

<u>Class</u>	<u>Rate of Return</u>	
	<u>Current</u>	<u>w/ Change</u>
Residential	-1.288%	0.795%
Small Commercial	6.851%	9.350%
Large Commercial	29.094%	32.476%
Irrigation	-11.864%	-9.635%
Load Management	31.815%	36.705%
Lights	0.619%	2.706%
Total	4.818%	7.220%

- Q. Does this conclude your testimony?
- A. Yes, it does.

Direct Testimony of Justin W. Proctor

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF REQUEST)
FOR APPROVAL OF GENERAL)
RATE ADJUSTMENT)**

**SOCORRO ELECTRIC)
COOPERATIVE, INC.,)**

Petitioner.)
_____)

Case No. _____

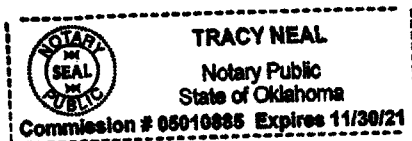
AFFIDAVIT

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

I have read the foregoing Direct Testimony, and it is true and accurate based on my own knowledge and belief.

Justin W. Proctor
Justin W. Proctor

SUBSCRIBED and sworn to before me this 17th day of November, 2018.



Tracy Neal
Notary Public

My Commission Expires: 11/30/2021

SOCORRO ELECTRIC COOPERATIVE, INC.

INCOME STATEMENT
DECEMBER 31, 2017

	Test Year 12/31/2017	Adjustments (b)	Adjusted Test Year (c)	Rate Change (d)	Adjusted Test Year w/ Rate Change (e)
Operating Revenues					
Base Revenue	\$ 23,308,088	\$ 20,199	\$ 23,328,287	\$ 2,349,346	\$ 25,677,633
FCA	1,583,478	(16,021)	1,567,457	(1,567,457)	0
DCA	(391,613)	(3,646)	(395,259)	395,259	0
FCA/DCA (Over)/Under	(33,828)	33,828	0	72,845	275,983
Other	203,138	0	203,138	0	0
Total	\$ 24,669,263	\$ 34,360	\$ 24,703,623	\$ 1,249,993	\$ 25,953,616
Operating Expenses					
Purchased Power	\$ 14,389,999	\$ 10,888	\$ 14,400,887	\$ 0	\$ 14,400,887
Transmission O&M	18,276	(14,689)	3,587		3,587
Distribution-Operations	1,824,789	(336,113)	1,488,676		1,488,676
Distribution-Maintenance	669,779	(25,931)	643,848		643,848
Consumer Accounting	911,167	81,388	992,555		992,555
Customer Service	64,514	2,161	66,675		66,675
Sales	12,713	80	12,793		12,793
Administrative & General	1,508,058	51,048	1,559,107		1,559,107
Depreciation	2,313,563	82,578	2,396,141		2,396,141
Tax	154,049	477,738	631,787		631,787
Total	\$ 21,868,908	\$ 329,148	\$ 22,198,056	\$ 0	\$ 22,198,056
Return	\$ 2,802,355	\$ (294,789)	\$ 2,507,567	\$ 1,249,993	\$ 3,757,560
Interest & Other Deductions					
Interest L-T Debt	\$ 2,218,969	\$ (237,537)	\$ 1,981,432	\$ 0	\$ 1,981,432
Amortize RUS Gain	0		0		0
Interest-Other	2,828		2,828		2,828
Other Deductions	113,652		113,652		113,652
Total	\$ 2,335,449	\$ (237,537)	\$ 2,097,912	\$ 0	\$ 2,097,912
Operating Margin	\$ 486,906	\$ (67,251)	\$ 409,655	\$ 1,249,993	\$ 1,659,648
Non-Operating Margins					
Interest Income	\$ 686,225	\$ 50,158	\$ 736,383	\$ 0	\$ 736,383
Gain (Loss) Equity Investments	9,163	(6,526)	3,637		3,637
Other Margins	(257,892)	244,792	(13,100)		(13,100)
G&T Capital Credits	746,154	(418,154)	327,000		327,000
Other Capital Credits	288,801	(25,412)	263,389		263,389
Total	\$ 1,472,451	\$ (155,142)	\$ 1,317,309	\$ 0	\$ 1,317,309
Net Margins	\$ 1,839,357	\$ (212,393)	\$ 1,726,964	\$ 1,249,993	\$ 2,976,957
Operating TIER	1.21		1.21		1.84
Net TIER	1.87		1.87		2.50
Net TIER Excl Capital Credits	1.41		1.57		2.20
DSC	1.35		1.30		1.57
DSC (CFC)	1.18		1.18		1.45
Rate of Return	5.38%		4.82%		7.22%
Rate Base	\$ 52,073,759	\$ (30,257)	\$ 52,043,502	\$ 0	\$ 52,043,502
Principal Payments	2,587,539	(2,587,539)	2,702,514		2,702,514
Cash Payments-G&T & Lenders	0		0		0
Percent Change					5.06%

SOCORRO ELECTRIC COOPERATIVE, INC.
EXISTING RATES
ADJUSTED TEST YEAR ENDING DECEMBER 31, 2017
Cost Allocation Summary

Account	Total	RESIDENTIAL	SM COMM	LG COMM	Irrigation	Load Mgmt	LIGHTS
Rate Base	52,043,502	34,773,902	7,548,956	7,648,151	281,071	793,901	997,517
Operating Revenues	24,703,623	10,164,593	3,330,848	9,625,765	59,688	1,155,343	367,382
Operating Expenses	22,196,056	10,612,348	2,813,705	7,400,648	93,034	902,761	373,556
Return	2,507,567	-447,755	517,142	2,225,117	-33,346	252,582	-6,174
Rate of Return	4.818 %	-1.268 %	6.851 %	29.094 %	-11.864 %	31.815 %	-0.619 %
Relative ROR	1.000	-0.267	1.422	6.039	-2.462	6.803	-0.128
Interest	2,097,912	1,409,376	304,751	300,566	11,302	31,147	40,768
Operating Margins	409,555	-1,857,131	212,391	1,924,550	-44,648	221,435	-46,942
Margin as % Revenue	1.658 %	-18.271 %	6.376 %	19.994 %	-74.804 %	19.186 %	-12.778 %
Operating TIER	1.195	-0.318	1.697	7.403	-2.950	8.109	-0.151
Revenue Deficiencies							
Uniform ROR = 7.220037	1,249,993	2,958,443	27,894	-1,672,917	53,640	-195,262	78,195
Deficiency % Rev	5.060 %	29.105 %	0.837 %	-17.380 %	89.867 %	-16.901 %	21.284 %
Uniform % Mar = 6.394670	1,249,993	2,678,398	646	-1,398,440	51,776	-157,635	75,247
Deficiency % Rev	5.060 %	26.350 %	0.019 %	-14.528 %	86.745 %	-13.644 %	20.482 %

SOCORRO ELECTRIC COOPERATIVE, INC.
PROPOSED RATES
ADJUSTED TEST YEAR ENDING DECEMBER 31, 2017
Cost Allocation Summary

Account	Total	RESIDENTIAL	SM COMM	LG COMM	Irrigation	Load Mgmt	LIGHTS
Rate Base	52,043,502	34,774,182	7,548,985	7,647,840	281,076	793,876	997,540
Operating Revenues	25,963,433	10,891,050	3,519,802	9,881,894	65,991	1,193,950	400,743
Operating Expenses	22,196,056	10,614,586	2,813,934	7,398,157	93,073	902,557	373,745
Return	3,757,377	276,463	705,867	2,483,736	-27,081	281,393	26,997
Rate of Return	7.220 %	0.795 %	9.350 %	32.476 %	-9.635 %	36.705 %	2.706 %
Relative ROR	1.000	0.110	1.295	4.498	-1.335	5.084	0.375
Interest	2,097,912	1,409,376	304,751	300,566	11,302	31,147	40,768
Operating Margins	1,659,465	-1,132,912	401,116	2,183,170	-38,383	280,245	-13,771
Margin as % Revenue	6.394 %	-10.402 %	11.396 %	22.083 %	-58.164 %	21.797 %	-3.436 %
Operating TIER	1.791	0.196	2.316	8.264	-2.396	9.355	0.662
Revenue Deficiencies							
Uniform ROR = 7.220037	183	2,234,245	-160,828	-1,931,559	47,375	-234,074	45,025
Deficiency % Rev	0.001 %	20.515 %	-4.569 %	-19.546 %	71.790 %	-19.605 %	11.236 %
Uniform % Mar = 6.394670	183	1,954,332	-188,062	-1,657,230	45,514	-196,459	42,088
Deficiency % Rev	0.001 %	17.944 %	-5.343 %	-16.770 %	68.989 %	-16.455 %	10.503 %

SOCORRO ELECTRIC COOPERATIVE, INC.
SUMMARY OF RATE CHANGE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2017

	Consumers	KWh	Existing Rates	Proposed Rates	Change	
					\$	%
Residential Class	10,342	61,728,934	9,978,842	10,643,127	664,285	6.66%
Small Commercial Class	1,971	20,521,537	3,298,811	3,476,445	177,634	5.38%
Large Commercial Class	177	77,055,693	9,622,258	9,878,001	255,743	2.66%
Irrigation	44	386,568	58,973	65,024	6,051	10.26%
Load Management	1	10,971,000	1,155,228	1,193,929	38,701	3.35%
Energy Thermal Storage	11	126,212	18,821	20,181	1,360	7.22%
Private Area Lighting	79	1,086,680	192,333	211,546	19,213	9.99%
Street Lighting	82	1,122,657	175,035	189,197	14,162	8.09%
Lighting Class	161	2,209,337	367,368	400,743	33,375	9.08%
Subtotal	12,707	172,999,281	24,500,301	25,677,450	1,177,148	4.80%
Other Revenue			203,138	275,983	72,845	35.86%
Total Revenue			24,703,439	25,953,433	1,249,993	5.06%

SOCORRO ELECTRIC COOPERATIVE, INC.

SUMMARY OF RATES

	Existing Rates	Proposed Rates	Change
Power Cost, per kWh Sold	\$0.083242	\$0.083242	\$0.000000
FCA/PCA Base Cost, per kWh Sold	\$0.074183	\$0.083242	\$0.009059
FCA/PCA Factor, per kWh	\$0.009059	\$0.000000	(\$0.009059)
Residential DCA Factor, per kWh	(\$0.002516)	\$0.000000	\$0.002516
Commercial DCA Factor, per kWh	(\$0.002152)	\$0.000000	\$0.002152
Residential			
Customer Charge	\$15.00	\$22.75	\$7.75
Energy Charge, per kWh	\$0.125000	\$0.125190	\$0.000190
Additional Minimum	\$0.00	\$5.00	\$5.00
Residential Energy Thermal Storage (ETS)			
Customer Charge	\$16.00	\$22.75	\$6.75
On Peak Energy Charge, per kWh	\$0.155000	\$0.173600	\$0.018600
Off Peak Energy Charge, per kWh	\$0.080000	\$0.075035	(\$0.00)
Additional Minimum	\$0.00	\$5.00	\$5.00
Residential Net Metering			
Customer Charge	\$15.00	\$22.75	\$7.75
Net Metering Option - Fee	\$5.00	\$5.00	\$0.00
Energy Charge, per kWh	\$0.125000	\$0.125190	\$0.000190
Excess Energy per kWh - Determined Annually	\$0.000000	\$0.000000	\$0.000000
Additional Minimum	\$0.00	\$5.00	\$5.00
Small Commercial			
Customer Charge	\$25.00	\$32.50	\$7.50
Energy Charge, per kWh	\$0.125000	\$0.130784	\$0.005784
Additional Minimum	\$0.00	\$5.00	\$5.00
Small Commercial Net Metering			
Customer Charge	\$25.00	\$32.50	\$7.50
Net Metering Option - Fee	\$5.00	\$5.00	\$0.00
Energy Charge, per kWh	\$0.125000	\$0.130784	\$0.005784
Excess Energy per kWh - Determined Annually	\$0.000000	\$0.000000	\$0.000000
Additional Minimum	\$0.00	\$5.00	\$5.00

SOCORRO ELECTRIC COOPERATIVE, INC.

SUMMARY OF RATES

	Existing Rates	Proposed Rates	Change
Power Cost, per kWh Sold	\$0.083242	\$0.083242	\$0.000000
FCA/PCA Base Cost, per kWh Sold	\$0.074183	\$0.083242	\$0.009059
FCA/PCA Factor, per kWh	\$0.009059	\$0.000000	(\$0.009059)
Residential DCA Factor, per kWh	(\$0.002516)	\$0.000000	\$0.002516
Commercial DCA Factor, per kWh	(\$0.002152)	\$0.000000	\$0.002152
Large Commercial			
Customer Charge	\$75.00	\$85.00	\$10.00
Demand Charge, per Billing kW	\$15.00	\$8.50	(\$6.50)
Energy Charge, per kWh	\$0.077500	\$0.138320	\$0.060820
First 200 kWh per kW		\$0.081380	\$0.003880
Next 200 kWh per kW		\$0.050000	(\$0.027500)
Over 400 kWh per kW			
Large Commercial Net Metering			
Customer Charge	\$75.00	\$85.00	\$10.00
Net Metering Option - Fee	\$5.00	\$5.00	\$0.00
NCP Demand Charge, per NCP Billing kW	\$15.00	\$8.50	(\$6.50)
Energy Charge, per kWh	\$0.077500	\$0.138320	\$0.060820
First 200 kWh per kW		\$0.081380	\$0.003880
Next 200 kWh per kW		\$0.050000	(\$0.027500)
Over 400 kWh per kW		\$0.000000	\$0.000000
Excess Energy per kWh - Determined Annually	\$0.000000		
Irrigation			
Customer Charge	\$0.00	\$10.00	\$10.00
Horsepower Charge, per Billing HP (January Only)	\$10.00	\$0.00	(\$10.00)
Horsepower Charge, per Billing HP (Monthly)	\$0.00	\$1.05	\$1.05
Energy Charge, per kWh	\$0.110000	\$0.110000	\$0.000000

SOCORRO ELECTRIC COOPERATIVE, INC.

SUMMARY OF RATES

	Existing Rates	Proposed Rates	Change
Power Cost, per kWh Sold	\$0.083242	\$0.083242	\$0.000000
FCA/PCA Base Cost, per kWh Sold	\$0.074183	\$0.083242	\$0.009059
FCA/PCA Factor, per kWh	\$0.009059	\$0.000000	(\$0.009059)
Residential DCA Factor, per kWh	(\$0.002516)	\$0.000000	\$0.002516
Commercial DCA Factor, per kWh	(\$0.002152)	\$0.000000	\$0.002152
Load Management			
Customer Charge	\$500.00	\$600.00	\$100.00
Energy Charge, per kWh	\$0.073000	\$0.079202	\$0.006202
Demand Charge, per Billing kW	\$15.00	\$17.50	\$2.50
Commercial Energy Thermal Storage (ETS)			
Customer Charge	\$16.00	\$22.75	\$6.75
On Peak Energy Charge, per kWh	\$0.155000	\$0.173600	\$0.018600
Off Peak Energy Charge, per kWh	\$0.080000	\$0.075035	(\$0.004965)
Additional Minimum	\$0.00	\$5.00	\$5.00
Stand-by Service for Self-Generators			
Customer Charge	\$209.00	\$250.00	\$41.00
NCP Demand Charge, per NCP Billing kW	\$5.50	\$8.65	\$3.15
Distribution Secondary		\$7.00	\$7.00
Distribution Primary		\$2.95	\$2.95
Substation		\$0.75	\$0.75
Transmission		at Cost	
Energy Charge, per kWh	\$0.031500	\$0.00	(\$0.031500)
CP Demand Charge, per CP Billing kW	\$21.28	\$0.00	(\$21.28)

SOCORRO ELECTRIC COOPERATIVE, INC.

SUMMARY OF RATES

	Existing Rates	Proposed Rates	Change
Power Cost, per kWh Sold	\$0.083242	\$0.083242	\$0.000000
FCA/PCA Base Cost, per kWh Sold	\$0.074183	\$0.083242	\$0.009059
FCA/PCA Factor, per kWh	\$0.009059	\$0.000000	(\$0.009059)
Residential DCA Factor, per kWh	(\$0.002516)	\$0.000000	\$0.002516
Commercial DCA Factor, per kWh	(\$0.002152)	\$0.000000	\$0.002152
Private Area Lighting			
400 Watt HPS	\$21.76	\$24.84	\$3.09
100 Watt HPS	\$12.00	\$13.70	\$1.70
150 Watt HPS	\$12.25	\$13.99	\$1.74
31 Watt LED	11 kWh/Mo	\$13.70	
50 Watt LED	18 kWh/Mo	\$13.99	
199 Watt LED	72 kWh/Mo	\$24.84	
175 Watt MV	78 kWh/Mo	\$15.99	\$1.99
400 Watt MV	180 kWh/Mo	\$27.69	\$3.44
175 Watt MV Metered	78 kWh/Mo	\$10.85	\$1.35
175 Watt MV Shared 6	7 kWh/Mo	\$1.51	\$0.19
175 Watt MV Shared 7	11 kWh/Mo	\$2.28	\$0.28
Street Lighting			
250 Watt HPS	\$15.50	\$17.84	\$2.34
400 Watt HPS	\$21.75	\$24.84	\$3.09
150 Watt HPS	\$15.50	\$16.24	\$0.74
100 Watt HPS	\$10.00	\$13.70	\$3.70
150 Watt HPS	\$12.25	\$13.99	\$1.74
115 Watt LED	41 kWh/Mo	\$17.84	
199 Watt LED	72 kWh/Mo	\$24.84	
175 Watt MV	78 kWh/Mo	\$15.99	\$1.99
400 Watt MV	180 kWh/Mo	\$27.69	\$4.44
250 Watt MV	110 kWh/Mo	\$18.42	\$2.42
400 Watt SV Interstate	180 kWh/Mo	\$26.76	\$3.51

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
RESIDENTIAL

KWh Usage	Additional Minimum	Existing Rate	Proposed Rate	Change	
				\$	%
Customer Charge		\$15.00	\$22.75	\$7.75	51.67%
Energy Charge, per kWh		\$0.125000	\$0.125190	\$0.000190	0.15%
Minimum Bill		\$0.00	\$5.00	\$5.00	0.00%
FCA/PCA Factor, per kWh		\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Residential DCA Factor, per k		(\$0.002516)	\$0.000000	\$0.002516	-100.00%
Total Energy, per kWh		\$0.131543	\$0.125190	(\$0.006353)	-4.83%
0	7.47%	\$15.00	\$27.75	\$12.75	85.00%
50	7.31%	\$21.58	\$29.01	\$7.43	34.43%
250		\$47.89	\$54.05	\$6.16	12.86%
500		\$80.77	\$85.35	\$4.58	5.67%
750		\$113.66	\$116.64	\$2.98	2.62%
1,000		\$146.54	\$147.94	\$1.40	0.96%
3,000		\$409.63	\$398.32	(\$11.31)	-2.76%
5,000		\$672.72	\$648.70	(\$24.02)	-3.57%
494 Average		\$79.98	\$84.59	\$4.61	5.76%

*Average number of Minimum Use Customers:

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
RESIDENTIAL ENERGY THERMAL STORAGE (ETS)

KWh Usage	On Peak KWh	Off Peak KWh	Existing Rate	Proposed Rate	Change	
	59.67%				\$	%
Customer Charge			\$16.00	\$22.75	\$6.75	42.19%
On Peak Energy Charge, per KWh			\$0.155000	\$0.173600	\$0.018600	12.00%
Off Peak Energy Charge, per KWh			\$0.080000	\$0.075035	(\$0.004965)	-6.21%
Minimum Charge			\$0.00	\$5.00	\$5.00	0.00%
FCA/PCA Factor, per KWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Residential DCA Factor, per KWh			(\$0.002516)	\$0.000000	\$0.002516	-100.00%
0	0	0	\$16.00	\$27.75	\$11.75	73.44%
100	60	40	\$29.15	\$36.17	\$7.02	24.08%
250	149	101	\$48.81	\$56.19	\$7.38	15.12%
500	298	202	\$81.62	\$89.64	\$8.02	9.83%
750	448	302	\$114.51	\$123.18	\$8.67	7.57%
1,000	597	403	\$147.32	\$156.63	\$9.31	6.32%
3,000	1,790	1,210	\$409.88	\$424.29	\$14.41	3.52%
5,000	2,984	2,016	\$672.52	\$692.04	\$19.52	2.90%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
RESIDENTIAL ENERGY THERMAL STORAGE (ETS)

KWh Usage	On Peak KWh	Off Peak KWh	Existing Rate	Proposed Rate	Change \$	Change %
Customer Charge	59.67%		\$16.00	\$22.75	\$6.75	42.19%
On Peak Energy Charge, per KWh			\$0.155000	\$0.173600	\$0.018600	12.00%
Off Peak Energy Charge, per KWh			\$0.080000	\$0.075035	(\$0.004965)	-6.21%
Minimum Charge			\$0.00	\$5.00	\$5.00	0.00%
FCA/PCA Factor, per KWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Residential DCA Factor, per KWh			(\$0.002516)	\$0.000000	\$0.002516	-100.00%

40.00% On Peak Consumption

500	200	300	\$74.27	\$79.98	\$5.71	7.69%
828	331	497	\$112.48	\$117.50	\$5.02	4.46%
1,000	400	600	\$132.54	\$137.21	\$4.67	3.52%

Average 828 KWh per month - 59.67 % On Peak Consumption

500	298	202	\$81.62	\$89.64	\$8.02	9.83%
828	494	334	\$124.71	\$133.57	\$8.86	7.10%
1,000	597	403	\$147.32	\$156.63	\$9.31	6.32%

75.00% On Peak Consumption

500	375	125	\$87.40	\$97.23	\$9.83	11.25%
828	621	207	\$134.23	\$146.09	\$11.86	8.84%
1,000	750	250	\$158.79	\$171.71	\$12.92	8.14%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
SMALL COMMERCIAL

<u>kWh</u> <u>Usage</u>	<u>Additional</u> <u>Minimum</u>	<u>Existing</u> <u>Rate</u>	<u>Proposed</u> <u>Rate</u>	<u>%</u>	<u>Change - %</u> <u>Option 1</u>
Customer Charge		\$25.00	\$32.50	\$7.50	30.00%
Energy Charge, per kWh		\$0.125000	\$0.130784	\$0.005784	4.63%
Minimum Charge		\$0.00	\$5.00	\$5.00	0.00%
FCA/PCA Factor, per kWh		\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh		(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh		\$0.131907	\$0.130784	(\$0.001123)	-0.85%

0	11.49%	\$25.00	\$37.50	\$12.50	50.00%
60	13.09%	\$32.91	\$40.35	\$7.44	22.61%
250		\$57.98	\$65.20	\$7.22	12.45%
500		\$90.95	\$97.89	\$6.94	7.63%
750		\$123.93	\$130.59	\$6.66	5.37%
1,000		\$156.91	\$163.28	\$6.37	4.06%
1,500		\$222.86	\$228.68	\$5.82	2.61%
2,000		\$288.81	\$294.07	\$5.26	1.82%
3,000		\$420.72	\$424.85	\$4.13	0.98%
5,000		\$684.54	\$686.42	\$1.88	0.27%
868 Average		\$139.50	\$146.02	\$6.52	4.67%

*Average number of Minimum Use Customers: 483

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
LARGE COMMERCIAL

Load Factor	kW	kWh	Existing	Proposed	Change	
			Rate	Rate	\$	%
Customer Charge			\$75.00	\$85.00	\$10.00	13.33%
Demand Charge, per Billing kW			\$15.00	\$8.50	(\$6.50)	-43.33%
Energy Charge, per kWh			\$0.077500			
First 200 kWh per kW				\$0.138320	\$0.060820	78.48%
Next 200 kWh per kW				\$0.081380	\$0.081380	0.00%
Over 400 kWh per kW				\$0.050000	\$0.050000	0.00%
FCA/PCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.084407		(\$0.084407)	-100.00%
10.00%	50	3,650	\$1,133.09	\$1,014.87	(\$118.22)	-10.43%
30.00%	50	10,950	\$1,749.26	\$1,970.51	\$221.25	12.65%
50.00%	50	18,250	\$2,365.43	\$2,564.59	\$199.16	8.42%
70.00%	50	25,550	\$2,981.61	\$2,984.50	\$2.89	0.10%
90.00%	50	32,850	\$3,597.78	\$3,349.50	(\$248.28)	-6.90%
10.00%	100	7,300	\$2,191.17	\$1,944.74	(\$246.43)	-11.25%
30.00%	100	21,900	\$3,423.52	\$3,856.02	\$432.50	12.63%
50.00%	100	36,500	\$4,655.87	\$5,044.17	\$388.30	8.34%
70.00%	100	51,100	\$5,888.21	\$5,884.00	(\$4.21)	-0.07%
90.00%	100	65,700	\$7,120.56	\$6,614.00	(\$506.56)	-7.11%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
LARGE COMMERCIAL

Load Factor	kV	kWh	Existing Rate	Proposed Rate	Change \$	Change %
Customer Charge			\$75.00	\$85.00	\$10.00	13.33%
Demand Charge, per Billing kW			\$15.00	\$8.50	(\$6.50)	-43.33%
Energy Charge, per kWh			\$0.077500			
First 200 kWh per kW				\$0.138320	\$0.060820	78.48%
Next 200 kWh per kW				\$0.081380	\$0.081380	0.00%
Over 400 kWh per kW				\$0.050000	\$0.050000	0.00%
FCAPCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.084407		(\$0.084407)	-100.00%
10.00%	250	18,250	\$5,365.43	\$4,734.34	(\$631.09)	-11.76%
30.00%	250	54,750	\$8,446.30	\$9,512.56	\$1,066.26	12.62%
50.00%	250	91,250	\$11,527.17	\$12,482.93	\$955.76	8.29%
70.00%	250	127,750	\$14,608.03	\$14,582.50	(\$25.53)	-0.17%
90.00%	250	164,250	\$17,688.90	\$16,407.50	(\$1,281.40)	-7.24%
10.00%	500	36,500	\$10,655.87	\$9,383.68	(\$1,272.19)	-11.94%
30.00%	500	109,500	\$16,817.60	\$18,940.11	\$2,122.51	12.62%
50.00%	500	182,500	\$22,979.33	\$24,880.85	\$1,901.52	8.27%
70.00%	500	255,500	\$29,141.07	\$29,080.00	(\$61.07)	-0.21%
90.00%	500	328,500	\$35,302.80	\$32,730.00	(\$2,572.80)	-7.29%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
IRRIGATION

Load Factor	HP	kWh	Existing	Proposed	Change	
			Rate	Rate	\$	%
Customer Charge			\$0.00	\$10.00	\$10.00	0.00%
Horsepower Charge, per Billing HP (January On			\$10.00	\$0.00	(\$10.00)	-100.00%
Horsepower Charge, per Billing HP (Monthly)			\$0.00	\$1.05	\$1.05	0.00%
Energy Charge, per kWh			\$0.110000	\$0.110000	\$0.000000	0.00%
FCA/PCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.116907	\$0.110000	(\$0.006907)	-5.91%
10.00%	10.00	545	\$163.71	\$305.95	\$142.24	86.89%
15.00%	10.00	817	\$195.51	\$335.87	\$140.36	71.79%
25.00%	10.00	1,361	\$259.11	\$395.71	\$136.60	52.72%
35.00%	10.00	1,906	\$322.83	\$455.66	\$132.83	41.15%
45.00%	10.00	2,451	\$386.54	\$515.61	\$129.07	33.39%
10.00%	25.00	1,361	\$409.11	\$584.71	\$175.60	42.92%
15.00%	25.00	2,042	\$488.72	\$659.62	\$170.90	34.97%
25.00%	25.00	3,404	\$647.95	\$809.44	\$161.49	24.92%
35.00%	25.00	4,765	\$807.06	\$959.15	\$152.09	18.84%
45.00%	25.00	6,127	\$966.29	\$1,108.97	\$142.68	14.77%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
IRRIGATION

Load Factor	HP	KWh	Existing Rate	Proposed Rate	Change	
					\$	%
Customer Charge			\$0.00	\$10.00	\$10.00	0.00%
Horsepower Charge, per Billing HP (January On			\$10.00	\$0.00	(\$10.00)	-100.00%
Horsepower Charge, per Billing HP (Monthly)			\$0.00	\$1.05	\$1.05	0.00%
Energy Charge, per kWh			\$0.110000	\$0.110000	\$0.000000	0.00%
FCA/PCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.116907	\$0.110000	(\$0.006907)	-5.91%
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10.00%	50.00	2,723	\$818.34	\$1,049.53	\$231.19	28.25%
15.00%	50.00	4,084	\$977.45	\$1,199.24	\$221.79	22.69%
25.00%	50.00	6,807	\$1,295.79	\$1,498.77	\$202.98	15.66%
35.00%	50.00	9,530	\$1,614.13	\$1,798.30	\$184.17	11.41%
45.00%	50.00	12,253	\$1,932.47	\$2,097.83	\$165.36	8.56%
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10.00%	75.00	4,084	\$1,227.45	\$1,514.24	\$286.79	23.36%
15.00%	75.00	6,127	\$1,466.29	\$1,738.97	\$272.68	18.60%
25.00%	75.00	10,211	\$1,943.74	\$2,188.21	\$244.47	12.58%
35.00%	75.00	14,295	\$2,421.19	\$2,637.45	\$216.26	8.93%
45.00%	75.00	18,380	\$2,898.76	\$3,086.80	\$188.04	6.49%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
LOAD MANAGEMENT

Load Factor	kW	kWh	Existing Rate	Proposed Rate	Change	
					\$	%
Customer Charge			\$500.00	\$600.00	\$100.00	20.00%
Energy Charge, per kWh			\$0.073000	\$0.079202	\$0.006202	8.50%
Demand Charge, per Billing kW			\$15.00	\$17.50	\$2.50	16.67%
FCA/PCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.079907	\$0.079202	(\$0.000705)	-0.88%
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10.00%	500	36,500	\$10,916.62	\$12,240.87	\$1,324.25	12.13%
30.00%	500	109,500	\$16,749.85	\$18,022.62	\$1,272.77	7.60%
50.00%	500	182,500	\$22,583.08	\$23,804.37	\$1,221.29	5.41%
70.00%	500	255,500	\$28,416.32	\$29,586.11	\$1,169.79	4.12%
90.00%	500	328,500	\$34,249.55	\$35,367.86	\$1,118.31	3.27%
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10.00%	1,000	73,000	\$21,333.23	\$23,881.75	\$2,548.52	11.95%
30.00%	1,000	219,000	\$32,999.70	\$35,445.24	\$2,445.54	7.41%
50.00%	1,000	365,000	\$44,666.16	\$47,008.73	\$2,342.57	5.24%
70.00%	1,000	511,000	\$56,332.63	\$58,572.22	\$2,239.59	3.98%
90.00%	1,000	657,000	\$67,999.10	\$70,135.71	\$2,136.61	3.14%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
COMMERCIAL ENERGY THERMAL STORAGE (ETS)

KWh Usage	On Peak KWh	Off Peak KWh	Existing Rate	Proposed Rate	Change \$	Change %
Customer Charge						
On Peak Energy Charge, per KWh			\$16.00	\$22.75	\$6.75	42.19%
Off Peak Energy Charge, per KWh			\$0.155000	\$0.173600	\$0.018600	12.00%
Additional Minimum			\$0.080000	\$0.075035	(\$0.004965)	-6.21%
FCA/PCA Factor, per KWh			\$0.00	\$5.00	\$5.00	0.00%
Residential DCA Factor, per KWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
			(\$0.002516)	\$0.000000	\$0.002516	-100.00%
<hr/>						
50	27	23	\$22.35	\$29.16	\$6.81	30.47%
100	55	45	\$28.78	\$35.67	\$6.89	23.94%
250	137	113	\$47.91	\$55.01	\$7.10	14.82%
500	273	227	\$79.75	\$87.18	\$7.43	9.32%
750	410	340	\$111.66	\$119.44	\$7.78	6.97%
1,000	546	454	\$143.49	\$151.60	\$8.11	5.65%
3,000	1,638	1,362	\$398.48	\$409.30	\$10.82	2.72%
5,000	2,731	2,269	\$653.54	\$667.11	\$13.57	2.08%
<hr/>						
			Average			
928	560	368	\$138.34	\$147.62	\$9.28	6.71%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
PRIVATE AREA LIGHTING

	Existing Rate	Proposed Rate	Change	
			\$	%
400 Watt HPS	176 kWh/Mo \$21.75	\$24.84	\$3.09	14.21%
100 Watt HPS	56 kWh/Mo \$12.00	\$13.70	\$1.70	14.17%
150 Watt HPS	70 kWh/Mo \$12.25	\$13.99	\$1.74	14.20%
31 Watt LED	11 kWh/Mo	\$13.70	\$13.70	0.00%
50 Watt LED	18 kWh/Mo	\$13.99	\$13.99	0.00%
199 Watt LED	72 kWh/Mo	\$24.84	\$24.84	0.00%
175 Watt MV	78 kWh/Mo	\$15.99	\$1.99	14.21%
400 Watt MV	180 kWh/Mo	\$27.69	\$3.44	14.19%
175 Watt MV Metered	78 kWh/Mo	\$9.50	\$1.35	14.21%
175 Watt MV Shared 6	7 kWh/Mo	\$1.51	\$0.19	14.39%
FCA/PCA Factor, per kWh	\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Residential DCA Factor, per kWh	(\$0.002516)	\$0.000000	\$0.002516	-100.00%
Total Energy, per kWh	\$0.006543	\$0.000000	(\$0.006543)	-100.00%
400 Watt HPS	\$22.90	\$24.84	\$1.94	8.47%
100 Watt HPS	\$12.37	\$13.70	\$1.33	10.75%
150 Watt HPS	\$12.71	\$13.99	\$1.28	10.07%
31 Watt LED		\$13.70	\$13.70	0.00%
50 Watt LED		\$13.99	\$13.99	0.00%
199 Watt LED		\$24.84	\$24.84	0.00%
175 Watt MV		\$15.99	\$1.48	10.20%
400 Watt MV		\$27.69	\$2.26	8.89%
175 Watt MV Metered		\$10.85	\$0.84	8.39%
175 Watt MV Shared 6		\$1.51	\$0.14	10.22%

SOCORRO ELECTRIC COOPERATIVE, INC.
COMPARISON OF EXISTING AND PROPOSED RATES
STREET LIGHTING

			Existing	Proposed	Change	
			Rate	Rate	\$	%
250	Watt HPS	110 kWh/Mo	\$15.50	\$17.84	\$2.34	15.10%
400	Watt HPS	176 kWh/Mo	\$21.75	\$24.84	\$3.09	14.21%
150	Watt HPS	110 kWh/Mo	\$15.50	\$16.24	\$0.74	4.77%
100	Watt HPS	47 kWh/Mo	\$10.00	\$13.70	\$3.70	37.00%
150	Watt HPS	70 kWh/Mo	\$12.25	\$13.99	\$1.74	14.20%
115	Watt LED	41 kWh/Mo	\$0.00	\$17.84	\$17.84	0.00%
199	Watt LED	72 kWh/Mo	\$0.00	\$24.84	\$24.84	0.00%
175	Watt MV	78 kWh/Mo	\$14.00	\$15.99	\$1.99	14.21%
400	Watt MV	180 kWh/Mo	\$23.25	\$27.69	\$4.44	19.10%
250	Watt MV	110 kWh/Mo	\$16.00	\$18.42	\$2.42	15.13%
400	Watt SV Interstate	180 kWh/Mo	\$23.25	\$26.76	\$3.51	15.10%
FCA/PCA Factor, per kWh			\$0.009059	\$0.000000	(\$0.009059)	-100.00%
Commercial DCA Factor, per kWh			(\$0.002152)	\$0.000000	\$0.002152	-100.00%
Total Energy, per kWh			\$0.006907	\$0.000000	(\$0.006907)	-100.00%
250	Watt HPS		\$16.26	\$17.84	\$1.58	9.72%
400	Watt HPS		\$22.97	\$24.84	\$1.87	8.14%
150	Watt HPS		\$16.26	\$16.24	(\$0.02)	-0.12%
100	Watt HPS		\$10.32	\$13.70	\$3.38	32.75%
150	Watt HPS		\$12.73	\$13.99	\$1.26	9.90%
115	Watt LED			\$17.84	\$17.84	0.00%
199	Watt LED			\$24.84	\$24.84	0.00%
175	Watt MV		\$14.54	\$15.99	\$1.45	9.97%
400	Watt MV		\$24.49	\$27.69	\$3.20	13.07%
250	Watt MV		\$16.76	\$18.42	\$1.66	9.90%
400	Watt SV Interstate		\$24.49	\$26.76	\$2.27	9.27%

PROOF OF REVENUE STATEMENT

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Seventh Revised Rate No. 1 -- General Service will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative, *except* those receiving Residential or Irrigation Service, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter.
2. The estimated amount of total revenue which will be generated is \$3,476,445.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the General Service customers will be \$401,116.

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Seventh Revised Rate No. 2-Irrigation Service will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative receiving electric service for irrigation motors, used for agricultural purposes, rated 5 horsepower and greater, for all electric service supplied at one point of delivery and measured through one meter, within the service territory of the Cooperative.
2. The estimated amount of total revenue which will be generated is \$65,024.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Irrigation Service customers will be (\$38,383).

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Seventh Revised Rate No. 3-Large Power Service will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative, *except* those receiving Irrigation Service, requiring 50 kVa or more of transformer capacity, for all electric service at one point of delivery and measured through one meter, within the service territory of the Cooperative.
2. The estimated amount of total revenue which will be generated is \$9,878,001.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Large Power customers will be \$2,183,170.

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Eighth Revised Rate No. 4-Area Lighting Service will apply, please be advised of the following:

1. This rate will apply to all members that require Area Lighting Service.
2. The estimated amount of total revenue which will be generated is \$400,743.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Area Lighting customers will be (\$13,771).

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Original Rate No. 6-Residential Service will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative requiring electric service for residential homes, dwelling units, individually metered apartments and domestic water wells, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, within the service territory of the Cooperative.
2. The estimated amount of total revenue which will be generated is \$10,378,712.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Residential Service customers will be (\$1,110,659).

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Fourth Revised Rate No. 7-Schedule of Fees will apply, please be advised of the following:

1. This rate will apply to all members.
2. The estimated amount of total revenue which will be generated is \$275,983.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. These fees do generate revenue, however there is not a margin component identified in the Cost of Service Study.

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Original Rate No. 8-Residential Service with ETS will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative requiring electric service for residential homes, dwelling units, individually metered apartments and domestic water wells, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, *and* who have an Electric Thermal Storage or "Energy Thermal Storage" (ETS) heater installed, within the service territory of the Cooperative.
2. The estimated amount of total revenue which will be generated is \$264,415.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Residential Service with ETS customers will be (\$25,864).

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Original Rate No. 9-General Service with ETS will apply, please be advised of the following:

1. This rate will apply to all members of the Cooperative, except those receiving Residential or Irrigation Service, requiring less than 50 kVa of transformer capacity, for all electric service supplied at one point of delivery and measured through one meter, and who have an Electric Thermal Storage or "Energy Thermal Storage" (ETS) heater installed, within the service territory of the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the New Mexico Public Regulation Commission.
2. The estimated amount of total revenue which will be generated is \$20,181.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the General Service with ETS customers will be \$3,611.

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which First Revised Rate No. 14-Standby Service will apply, please be advised of the following:

1. This rate will apply to all members for standby and reserve power service provided at various service levels for generation or co-generation facilities and is intended to offset all or partial member load.
2. The estimated amount of total revenue which will be generated is \$0.00.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Standby Service for Self-Generators customers will be \$0.00.

Pursuant to 17.9.540.9(B) NMAC, requiring a Proof of Revenue Statement for each class of customers to which Fourth Revised Rate No. 19-Load Management Service will apply, please be advised of the following:

1. This rate will apply to all members who contract to purchase service in increments of at least one megawatt and will maintain a minimum monthly load factor of 80%.
2. The estimated amount of total revenue which will be generated is \$1,193,929.
3. The rate is designed to adjust the rate components to make them more reflective of cost.
4. Socorro Electric's anticipated total annual margin from the Standby Service for Self-Generators customers will be \$260,245.

Socorro Electric Cooperative is also attaching a ***Statement of Comparison Between Present Rates and Proposed Rates*** reflecting the costs for each class of customer to which the new rates will apply.

STATEMENT OF COMPARISON BETWEEN PRESENT RATES AND PROPOSED RATES

Pursuant to 17.9.540.9(B) NMAC

The present and proposed rates are as follows:

	Present Rate	Proposed Rate	\$ Increase	% Increase
Power Cost per kWh	\$0.083242	\$0.083242		
PCA Base Cost per kWh	\$0.074183	\$0.083242	\$0.09059	
PCA Factor (AVG annual per kWh)	\$0.009059	\$0.000000	(\$0.009059)	(100.00 %)
DCA Factor- Residential per kWh	(\$0.002516)	\$0.000000	\$0.002516	100.00 %
DCA Factor- Commercial per kWh	(\$0.002152)	\$0.000000	\$0.002152	100.00 %

Rate No. 1 – General Service (1,971 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$25.00	\$32.50	\$7.50	30.00 %
Energy Charge	\$0.125000	\$0.130784	\$0.005784	4.63 %
Minimum Use Charge	\$0.00	\$5.00	\$5.00	100.00 %

Rate No. 2 – Irrigation Service (44 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$0.00	\$10.00	\$10.00	100.00 %
Energy Charge	\$0.110000	\$0.110000		
*Horsepower Charge	\$10.00	\$0.00	(\$10.00)	(100.00 %)
**Horsepower Charge	\$0.00	\$1.05	\$1.05	100.00 %

* Per Billing HP, January Only.

** Per Billing HP, Monthly

Rate No. 3 – Large Power Service (172 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$75.00	\$85.00	\$10.00	13.33 %
NCP Demand Charge, per Billing kW	\$15.00	\$8.50	(\$6.50)	(43.33 %)
Energy Charge, per kWh	\$0.077500			
First 200 kWh per kW		\$0.138320	\$0.060820	
Next 200 kWh per kW		\$0.081380	\$0.081380	
Over 400 kWh per kW		\$0.050000	\$0.050000	

Rate No. 4 – Area Lighting Service (161 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
150-Watt HPS	\$12.25	\$13.99	\$1.74	14.20 %
250-Watt HPS	\$15.50	\$17.84	\$2.34	15.10 %
400-Watt HPS	\$21.75	\$24.84	\$3.09	14.21 %
175-Watt MV	\$14.00	\$15.99	\$1.99	14.21 %
250-Watt MV	\$16.00	\$18.42	\$2.42	15.13 %
400-Watt MV	\$24.25	\$27.69	\$3.44	14.19 %
31-Watt LED		\$13.70	\$13.70	100.00 %
50-Watt LED		\$13.99	\$13.99	100.00 %
115-Watt LED		\$17.84	\$17.84	100.00 %
199-Watt LED		\$24.84	\$24.84	100.00 %

Rate No. 6 –Residential Service (10,108 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$15.00	\$22.75	\$7.75	51.67 %
Energy Charge	\$0.125000	\$0.125190	\$0.000190	0.15 %
Minimum Use Charge	\$0.00	\$5.00	\$5.00	100.00 %

kWh	Present Rate***	Proposed Rate	\$ Increase	% Increase
0	\$15.00	****\$27.75	\$12.75	85.00 %
250	\$47.89	\$54.05	\$6.16	12.86 %
500	\$80.77	\$85.35	\$4.58	5.67 %
750	\$113.66	\$116.64	\$2.98	2.62 %
1,000	\$146.54	\$147.94	\$1.40	0.96 %
2,000	\$278.09	\$273.13	(\$4.96)	(1.78 %)

***Includes adjustment of \$0.006543/kWh for PCA and DCA adjustment factors above the base costs built into present base rates.

****Includes Minimum Use Charge of \$5.00.

Rate No. 8- Residential Service with ETS (164 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$16.00	\$22.75	\$6.75	42.19 %
Energy Charge, On Peak, per kWh	\$0.155000	\$0.173600	\$0.018600	12.00 %
Energy Charge, Off Peak, per kWh	\$0.080000	\$0.075035	(\$0.004965)	(6.21 %)
Minimum Use Charge	\$0.00	\$5.00	\$5.00	100.00 %

The Residential Service with ETS rate is not included due to the variations in the consumption characteristics of an individual consumer.

Rate No. 9 – General Service with ETS (11 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$16.00	\$22.75	\$6.75	42.19 %
Energy Charge, On Peak, per kWh	\$0.155000	\$0.173600	\$0.018600	12.00 %
Energy Charge, Off Peak, per kWh	\$0.080000	\$0.075035	(\$0.004965)	(6.21 %)
Minimum Use Charge	\$0.00	\$5.00	\$5.00	100.00 %

Rate No. 14 – Standby Service for Self-Generation (0 Consumers)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$209.00	\$250.00	\$41.00	19.61 %
NCP Demand Charge (per NCP Billing kW)	\$5.50	\$0.00	(\$5.50)	(100.00 %)
Distribution Secondary		\$8.65	\$8.65	100.00 %
Distribution Primary		\$7.00	\$7.00	100.00 %
Substation		\$2.95	\$2.95	100.00 %
Transmission		\$0.75	\$0.75	100.00 %
Energy Charge, per kWh	\$0.031500	\$0.00	(\$0.031500)	(100.00 %)
CP Demand Charge, per CP Billing kW	\$21.28	\$0.00	(\$21.28)	100.00 %
Wholesale Power Cost		At Cost		

Rate No. 19 – Load Management (1 Consumer)

	Present Rate	Proposed Rate	\$ Increase	% Increase
System Charge	\$500.00	\$600.00	\$100.00	20.00 %
Energy Charge, per kWh	\$0.073000	\$0.079202	\$0.006202	8.50 %
NCP Demand Charge, per NCP Billing kW	\$15.00	\$17.50	\$2.50	16.67 %

Socorro Electric Cooperative, Inc.

Statement of Comparison Between Present Rates and Proposed Rates

Advice Notice No. 69

Page 2 of 2

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION NM0020

PERIOD ENDED December, 2017 (Prepared with Audited Data)

BORROWER NAME The Socorro Electric Cooperative, Inc.

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Joseph Herrera

3/27/2018

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	24,456,789	24,669,263	25,240,622	2,144,271
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	14,090,014	14,389,999	14,688,406	1,264,586
4. Transmission Expense	28,395	18,276	20,652	1,513
5. Regional Market Expense	0	0	0	0
6. Distribution Expense - Operation	1,711,647	1,824,789	1,627,610	139,963
7. Distribution Expense - Maintenance	698,777	669,779	772,950	55,563
8. Customer Accounts Expense	1,065,261	911,167	1,215,706	63,455
9. Customer Service and Informational Expense	21,705	64,514	21,822	(7,216)
10. Sales Expense	(5,128)	12,713	34,596	(3,926)
11. Administrative and General Expense	1,489,984	1,508,059	1,583,364	125,143
12. Total Operation & Maintenance Expense (2 thru 11)	19,100,655	19,399,296	19,965,106	1,639,081
13. Depreciation and Amortization Expense	2,169,745	2,313,563	2,403,816	195,858
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	153,885	154,049	155,388	13,158
16. Interest on Long-Term Debt	2,221,800	2,218,969	2,047,236	180,088
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	2,704	2,828	2,700	253
19. Other Deductions	110,560	113,652	113,651	9,708
20. Total Cost of Electric Service (12 thru 19)	23,759,349	24,202,357	24,687,897	2,038,146
21. Patronage Capital & Operating Margins (1 minus 20)	697,440	466,906	552,725	106,125
22. Non Operating Margins - Interest	579,377	686,225	584,864	65,743
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	4,461	9,163	0	9,163
25. Non Operating Margins - Other	(783,921)	(257,892)	(584,600)	(261,082)
26. Generation and Transmission Capital Credits	403,694	746,154	664,271	746,154
27. Other Capital Credits and Patronage Dividends	190,087	288,801	289,502	287,014
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,091,138	1,939,357	1,506,762	953,117

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION NM0020		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2017		

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	98	109	5. Miles Transmission	42.00	42.00
2. Services Retired	26	40	6. Miles Distribution - Overhead	3,099.00	3,100.00
3. Total Services in Place	15,107	15,176	7. Miles Distribution - Underground	154.00	157.00
4. Idle Services (Exclude Seasonals)	1,329	1,054	8. Total Miles Energized (5 + 6 + 7)	3,295.00	3,299.00

PART C. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	80,502,207	30. Memberships	0
2. Construction Work in Progress	967,524	31. Patronage Capital	25,210,007
3. Total Utility Plant (1 + 2)	81,469,731	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	30,702,150	33. Operating Margins - Current Year	466,906
5. Net Utility Plant (3 - 4)	50,767,581	34. Non-Operating Margins	1,472,451
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	179,998
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	27,329,362
8. Invest. in Assoc. Org. - Patronage Capital	10,117,685	37. Long-Term Debt - RUS (Net)	186,025
9. Invest. in Assoc. Org. - Other - General Funds	482,220	38. Long-Term Debt - FFB - RUS Guaranteed	32,246,373
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	21,031,841
12. Other Investments	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	251,510	42. Payments - Unapplied	14,084,006
14. Total Other Property & Investments (6 thru 13)	10,851,415	43. Total Long-Term Debt (37 thru 41 - 42)	39,380,233
15. Cash - General Funds	3,112,422	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	734	45. Accumulated Operating Provisions and Asset Retirement Obligations	331,505
17. Special Deposits	430	46. Total Other Noncurrent Liabilities (44 + 45)	331,505
18. Temporary Investments	0	47. Notes Payable	0
19. Notes Receivable (Net)	31,666	48. Accounts Payable	1,458,866
20. Accounts Receivable - Sales of Energy (Net)	2,206,736	49. Consumers Deposits	159,275
21. Accounts Receivable - Other (Net)	125,010	50. Current Maturities Long-Term Debt	2,703,000
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	521,310	52. Current Maturities Capital Leases	0
24. Prepayments	144,264	53. Other Current and Accrued Liabilities	980,400
25. Other Current and Accrued Assets	5,697	54. Total Current & Accrued Liabilities (47 thru 53)	5,301,541
26. Total Current and Accrued Assets (15 thru 25)	6,148,269	55. Regulatory Liabilities	0
27. Regulatory Assets	3,277,050	56. Other Deferred Credits	473,582
28. Other Deferred Debits	1,771,908	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	72,816,223
29. Total Assets and Other Debits (5+14+26 thru 28)	72,816,223		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2017
PART D. NOTES TO FINANCIAL STATEMENTS	
<p>1) The unbilled revenue for December 2017 was billed in January 2018 and totaled \$584,894.82. This amount is included in line 20 Accounts Receivable-Sales of Energy (Net).2) Deferred Debits consist of:Unamortized Premium on Long-Term Debt Refinance \$1,069,955.00Prepaid NRECA R&S Plan \$355,737.00Misc Deferred Debits \$294,531.00Pre-Paid Server Maintenance \$42,947.00Power Cost Adjustment \$61,122.00 Debt Cost Adjustment (\$592.00) 3) Deferred Credits consist of:Unclaimed Capital Credits \$534,113.00 4)The Cooperative participates in a Deferred compensationinvestment with Homestead fundswhich is accounted forin special funds and is carried at fair market value. The Cooperativealso provides for post-retirement benefits formedical and life insurance. TheNet Liability is shown inAccumulatedOperating Provisions and is adjusted to the NRECA actuarial study as of 12/31/17. The Cooperative purchased a 4-year extended warranty and software support for new Virtual Servers in 2016. At the end of each year we will reclass the current portion and expense it each month to the appropriate account.</p>	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2017
PART D. CERTIFICATION LOAN DEFAULT NOTES	
<p>In Dec 2016 and Jan 2017 SEC had FFB drawdowns totaling 6.042 Million dollars. These drawdowns increased our Debt Service Payments by \$289,443 in 2017. In July 2016 SEC refinanced RUS debt with CoBank. This refinance increased our Debt Service Payments by \$179,815 in 2017 compared to 2016. Socorro Electric Cooperative is in the process of completing a Cost of Service Study to establish new rates. The Cooperative plans to have the new rates in effect for the November 2018 billing.</p>	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE				BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION				PERIOD ENDED December, 2017			
INSTRUCTIONS - See help in the online application.							
PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	70,101,452	2,565,298	1,715,996	0	70,950,754		
2. General Plant	4,981,239	697,476	372,281	0	5,306,434		
3. Headquarters Plant	1,004,571	0	0	0	1,004,571		
4. Intangibles	884,568	0	0	21,918	906,486		
5. Transmission Plant	2,347,682	19,677	11,479	(21,918)	2,333,962		
6. Regional Transmission and Market Operation Plant	0	0	0	0	0		
7. All Other Utility Plant	0	0	0	0	0		
8. Total Utility Plant in Service (1 thru 7)	79,319,512	3,282,451	2,099,756	0	80,502,207		
9. Construction Work in Progress	399,781	567,743			967,524		
10. Total Utility Plant (8 + 9)	79,719,293	3,850,194	2,099,756	0	81,469,731		
PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	420,734	776,313	0	750,349	0	0	446,698
2. Other	71,910	4,096	0	1,394	0	0	74,612
PART G. SERVICE INTERRUPTIONS							
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)		
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)			
1. Present Year	0.000	0.000	33.500	3.490	36.990		
2. Five-Year Average	1.450	2.440	8.400	5.260	17.550		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	41	4. Payroll - Expensed	1,697,546				
2. Employee - Hours Worked - Regular Time	79,593	5. Payroll - Capitalized	447,084				
3. Employee - Hours Worked - Overtime	2,239	6. Payroll - Other	128,206				
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION		THIS YEAR (a)	CUMULATIVE (b)			
1. Capital Credits - Distributions	a. General Retirements		373,201	6,981,574			
	b. Special Retirements		50,205	3,154,196			
	c. Total Retirements (a + b)		423,406	10,135,770			
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power		0				
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System		107,990				
	c. Total Cash Received (a + b)		107,990				
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	284,863	2. Amount Written Off During Year	\$	111,329		
ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM							
1. Anticipated Loan Delinquency %			4. Anticipated Loan Default %				
2. Actual Loan Delinquency %			5. Actual Loan Default %				
3. Total Loan Delinquency Dollars YTD	\$		6. Total Loan Default Dollars YTD	\$			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE					BORROWER DESIGNATION				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					NM0020				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December, 2017				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tri-State G & T Assn, Inc (CO0047)	30151			188,352,567	14,384,638	7.64		
2	*Residential Renewable Supplier	700200	Net Metering	Solar - photovoltaic	133,077	4,500	3.38		
3	*Commercial Renewable Supplier	700100	Net Metering	Solar - photovoltaic	25,484	862	3.38		
	Total				188,511,128	14,390,000	7.63		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020	
INSTRUCTIONS - See help in the online application		PERIOD ENDED December, 2017	
PART K. kWh PURCHASED AND TOTAL COST			
No	Comments		
1			
2			
3			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2017	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
1	Mail Finance	Postage Machine	7,134
2	Ricoh USA, Inc	Copier	7,325
	TOTAL		14,459

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2017	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/22/2017	2. Total Number of Members 8,277	3. Number of Members Present at Meeting 438	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 1,479	6. Total Number of Board Members 7	7. Total Amount of Fees and Expenses for Board Members \$ 107,821	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION NM0020		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2017		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	186,025	4,815	35,747	40,562
2	National Rural Utilities Cooperative Finance Corporation				
3	CoBank, ACB	21,031,841	824,666	1,651,950	2,476,616
4	Federal Financing Bank	32,246,373	1,249,939	899,842	2,149,781
5	RUS - Economic Development Loans				
6	Payments Unapplied	14,084,006			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	39,380,233	2,079,420	2,587,539	4,666,959

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2017		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	10,218	10,214	
	b. kWh Sold			61,715,938
	c. Revenue			10,026,408
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	41	42	
	b. kWh Sold			376,108
	c. Revenue			56,310
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,428	2,431	
	b. kWh Sold			72,568,141
	c. Revenue			10,026,696
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	10	10	
	b. kWh Sold			37,300,918
	c. Revenue			4,221,675
6. Public Street & Highway Lighting	a. No. Consumers Served	10	10	
	b. kWh Sold			801,192
	c. Revenue			135,036
7. Other Sales to Public Authorities	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
9. Sales for Resale - Other	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
10. Total No. of Consumers (lines 1a thru 9a)		12,707	12,707	
11. Total kWh Sold (lines 1b thru 9b)				172,762,297
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				24,466,125
13. Transmission Revenue				0
14. Other Electric Revenue				203,138
15. kWh - Own Use				186,158
16. Total kWh Purchased				188,511,128
17. Total kWh Generated				0
18. Cost of Purchases and Generation				14,408,275
19. Interchange - kWh - Net				0
20. Peak - Sum All kW Input (Metered) Non-coincident <input type="checkbox"/> Coincident <input checked="" type="checkbox"/>				33,261

RUS Financial and Operating Report Electric Distribution

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0020
	PERIOD ENDED December, 2017

INSTRUCTIONS - See help in the online application.

PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	58	1,770	78	1,542	28,228	353
2. Residential Sales - Seasonal	0	0	0	0	0	0
3. Irrigation Sales	0	0	0	0	0	0
4. Comm. and Ind. 1000 KVA or Less	9	24,623	1,211	13	32,160	1,570
5. Comm. and Ind. Over 1000 KVA	0	0	0	0	0	0
6. Public Street and Highway Lighting	0	0	0	0	0	0
7. Other Sales to Public Authorities	0	0	0	0	0	0
8. Sales for Resale - RUS Borrowers	0	0	0	0	0	0
9. Sales for Resale - Other	0	0	0	0	0	0
10. Total	67	26,393	1,289	1,555	60,388	1,923

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

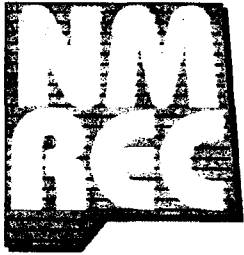
UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2017			

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)					
No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	CFC-Patronage Capital		184,965		
	Tri-State Patronage Capital		9,162,788	746,154	
	Federated Insurance Patronage Capital	304,446		49,131	
	Western United Patronage Capital	20,343		54	
	NRTC Patronage Capital	63			
	CFC - CTC's		476,620	22,585	
	CFC Membership		1,000		
	SEDC Membership	100			
	Cobank Membership		1,000		
	NRTC Membership	1,000			
	SEDC Patronage Capital	117,814		2,065	
	Basin Electric Membership	100			
	CoBank Patronage Allocation		324,015	235,817	
	CRC Patronage	3,151		1,733	
	CRC Membership	2,500			
	Totals	449,517	10,150,388	1,057,539	
5	Special Funds				
	Foundation Cash	251,510			
	Homestead	0			
	Totals	251,510			
6	Cash - General				
	General Fund - FSB	2,368,691	250,000		
	Payroll - FSB	14,767			
	Capital Credits - FSB	332,261			
	Magdalena - Wells Fargo		143,810		
	Petty Cash	1,100			
	CA Refunds	1,793			
	Totals	2,718,612	393,810		
7	Special Deposits				
	Water and Gas Deposits	430			
	Totals	430			
9	Accounts and Notes Receivable - NET				
	Notes Receivable - Section XII				
	Notes Receivable - Section V	0			
	Other Accounts Receivable	125,010			
	Line Extension Contracts	31,666			
	TEP Receivable-Current Portion				
	Totals	156,676			
11	TOTAL INVESTMENTS (1 thru 10)	3,576,745	10,544,198	1,057,539	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2017			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2017			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					4.39 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	TOTAL				



NEW MEXICO RURAL ELECTRIC COOPERATIVE ASSOCIATION

Keven J. Groenewold, P.E.
Chief Executive Officer
and General Manager

New Mexico's Rural Electric Self-Insurer's Fund
Worker's Compensation Fund
enchantment Magazine
The Voice of New Mexico's Rural Electric Cooperatives

AFFIDAVIT OF UTILITY NOTICE

FILED IN OFFICE OF

DEC 6 2018

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU

TOM CONDIT, being first duly sworn and upon his oath, states that he is the assistant editor of *enchantment*, published by the New Mexico Rural Electric Cooperative Association, Inc., and makes this affidavit on its behalf; and that he caused the attached NOTICE (Advice Notice No. 69) to be given to the consumers of Socorro Electric Cooperative, Inc., named in said notice, by causing the notice to be printed in the Socorro Electric Cooperative, Inc., edition of the November 2018 *enchantment*, which was on October 25, 2018, deposited in the United States mails, postage prepaid, addressed to each consumer at the addresses provided by Socorro Electric Cooperative, Inc.

Tom Condit, Assistant Editor

Subscribed and sworn before me this 29th day of October 2018.

Susan M. Espinoza, Notary Public

My commission expires: December 18, 2021



Your Touchstone Energy
Cooperative

enchantment

The Voice of New Mexico's Rural Electric Cooperatives

Socorro Electric
Cooperative

November 2018



A Salute
to All Who
Served

NOTICE TO RATEPAYERS

SOCORRO ELECTRIC COOPERATIVE, INC. (SEC or Cooperative) will file proposed rate schedules, under Advice Notice No. 69, on December 3, 2018 with the New Mexico Public Regulation Commission (Commission) which will result in a rate adjustment to all consumer classes.

Pursuant to Rule 17.9.540 NMAC and 17.1.2.10 NMAC of the Commission's Rules of Practice and Procedure and 62-8-7(G) NMSA, SEC's consumers are notified that:

(a) Advice Notice No. 69 will change rates due to increases in operating expenses necessary to serve the members of SEC. The current rate design does not provide adequate revenues to allow SEC to cover the cost to provide electric service to its members and does not meet financial minimums necessary to enable SEC to borrow money at low interest rates for member extensions or system improvements. The proposed rates will provide additional operating margins of \$1,249,993 for an overall increase of 5.06% above annualized test year revenues. Although the overall increase is 5.06%, individual rate classes as a whole may receive above or below the average increase depending on how much operating margin the class contributes to the margins of SEC. The proposed rates will incorporate into the base rates the base cost of interest on long-term debt of \$1,981,432 and cost of purchased power of \$14,400,887 or \$.083242/kWh sold as a new base cost of purchased power. A test period of January 1, 2017 through December 31, 2017 was used, annualized for known and measurable changes. Should the required number of protests be filed with the Commission, SEC intends to ask for emergency rate relief.

(b) The proposed changes affect an average of 10,342 Residential consumers, an average of 1,971 General Service consumers, an average of 11 Energy Thermal Storage (ETS) consumers, an average of 44 Irrigation consumers, an average of 177 Large Power consumers, 1 Load Management Service consumer and 161 Area Street Lighting consumers. These averages are based on test year data.

(c) The present and proposed rates are in the table on the right.

(d) A comparison of present and proposed rates for residential consumers at various kWh consumption levels is presented in the table below:

(e) The Cooperative will promptly notify a member, who so requests, of the date on which the schedule proposing the new rates will be filed with the Commission.

(f) The proposed new rates will go into effect automatically and without hearing by the Commission unless one percent of, or twenty-five (25) members of, a customer class, whichever is less, file a protest with the Commission no later than twenty (20) days after SEC has filed the schedule proposing the new rates (on December 3, 2018) and the Commission determines there is just cause for reviewing the proposed rates on one or more of the grounds of the protest.


IF A HEARING IS HELD BY THE PUBLIC REGULATION COMMISSION, ANY COSTS INCURRED BY THE COOPERATIVE MAY BE INCLUDED IN THE COOPERATIVE'S FUTURE RATES, FOLLOWING THE COOPERATIVE'S NEXT RATE CASE.

(g) Procedures for protesting a proposed rate or rates is set forth in NMPRC Rule 17.9.540 NMAC, 17.1.2.10 NMAC and 62-8-7(G) NMSA, a copy of which can be obtained upon request from or inspected at either Socorro Electric Cooperative, Inc., 215 Manzanares Avenue, P.O. Box H, Socorro, New Mexico 87801 (telephone 575-835-0560 or 800-351-7575) or the New Mexico Public Regulation Commission, P.E.R.A. Building, 1120 Paseo de Peralta, P.O. Box 1269, Santa Fe, New Mexico 87504 (telephone 505-827-4500 or 800-947-4722).

(h) Prior to filing a protest with the Commission, a Cooperative member should attempt to resolve any grievance by presenting your objection(s) to the new rates, in writing, and allow SEC seven (7) days in which to attempt a resolution of your objections or otherwise respond.

(i) Any interested person may examine the rate filing together with any exhibits and related papers that may be filed at any time at the main office of the Cooperative or on or after the date of filing at the offices of the Commission.

(j) Further information concerning this filing, or the protest procedure may be obtained by contacting Socorro Electric Cooperative, Inc. or the New Mexico Public Regulation Commission.

	Office Address	Outage	Website Address
	215 E. Manzanares Avenue	800-351-7575	www.socorroelectric.com
	P.O. Box H	Fax	Email Address
	Socorro, New Mexico 87801	575-835-4440	service@socorroelectric.com
	Telephone	Office Hours	General Manager
	575-835-0600	8:00 a.m. - 5:00 p.m. (M-F)	Joseph Herrera

Description	Existing Rates	Proposed Rates
Power Cost (per kWh)	\$0.083242	\$0.083242
PCA Base Cost (per kWh)	\$0.074183	\$0.083242
PCA Factor (Avg Annual per kWh)	\$0.009059	\$0.000000
DCA Factor - Residential (per kWh)	(\$0.002516)	\$0.000000
DCA Factor - Commercial (per kWh)	(\$0.002152)	\$0.000000
Residential Service		
Customer Charge	\$15.00	\$22.75
Energy Charge (per kWh)	\$0.125000	\$0.125190
Additional Minimum	\$0.00	\$5.00
General Service		
Customer Charge	\$25.00	\$32.50
Energy Charge (per kWh)	\$0.125000	\$0.130784
Additional Minimum	\$0.00	\$5.00
Large Power Service (Currently Billed Large Commercial)		
Customer Charge	\$75.00	\$85.00
Demand Charge (per Billing kW)	\$15.00	\$8.50
Energy Charge (per kWh)	\$0.077500	
First 200 kWh per kW		\$0.138320
Next 200 kWh per kW		\$0.081380
Over 400 kWh per kW		\$0.050000
Irrigation Service		
Customer Charge	\$0.00	\$10.00
HP Charge (per Billing HP) (January Only)	\$10.00	\$0.00
HP Charge (per Billing HP) (Monthly)	\$0.00	\$1.05
Energy Charge (per kWh)	\$0.110000	\$0.110000
Load Management		
Customer Charge	\$500.00	\$600.00
Energy Charge (per kWh)	\$0.073000	\$0.079202
Demand Charge (per Billing kW)	\$15.00	\$17.50
Area Lighting Service		
199 Watt LED	72 kWh/Mos	\$24.84
115 Watt LED	41 kWh/Mos	\$17.84
50 Watt LED	18 kWh/Mos	\$13.99
31 Watt LED	11 kWh/Mos	\$13.70
400 Watt HPS	176 kWh/Mos	\$21.75
250 Watt HPS	110 kWh/Mos	\$15.50
150 Watt HPS	70 kWh/Mos	\$12.25
100 Watt HPS	47 kWh/Mo	\$10.00
400 Watt MV	180 kWh/Mos	\$24.25
250 Watt MV	110 kWh/Mos	\$16.00
175 Watt MV	78 kWh/Mos	\$14.00
Residential Energy Thermal Storage (ETS)		
Customer Charge	\$16.00	\$22.75
On-Peak Energy Charge (per kWh)	\$0.155000	\$0.173600
Off-Peak Energy Charge (per kWh)	\$0.080000	\$0.075035
Additional Minimum	\$0.00	\$5.00
Net Metering		
Administrative Fee	\$5.00	\$5.00
Excess Energy (per kWh)		Determined Annually
Customer Charge*		
Energy Charge (per kWh)*		*Charged per applicable Retail Rate per 17.570.9 NMAC
Additional Minimum*		
General Service Energy Thermal Storage (ETS)		
Customer Charge	\$16.00	\$22.75
On-Peak Energy Charge (per kWh)	\$0.155000	\$0.173600
Off-Peak Energy Charge (per kWh)	\$0.080000	\$0.075035
Additional Minimum	\$0.00	\$5.00
Standby Service for Self-Generation		
Customer Charge	\$209.00	\$250.00
NCP Demand Charge (per NCP Billing kW)	\$5.50	
Distribution Secondary		\$8.65
Distribution Primary		\$7.00
Substation		\$2.95
Transmission		\$0.75
Energy Charge (per kWh)	\$0.031500	
CP Demand Charge (per CP Billing kW)	\$21.28	
Wholesale Power Cost		at Cost